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ENTERO HEALTHCARE SOLUTIONS LIMITED  
CORPORATE IDENTITY NUMBER: U74999HR2018PLC072204

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	Email and Telephone	Website
Plot No. I-35, Building - B, Industrial Area Phase - I, 13/7 Mathura Road, Faridabad 121 003 Haryana, India	605 & 606, 6 <sup>th</sup> Floor, Trade Centre Bandra Kurla Complex, Bandra East, Mumbai 400 051 Maharashtra, India	Jayant Prakash Vice President - General Counsel, Company Secretary and Compliance Officer	Email: <a href="mailto:jayant.prakash@enterohealthcare.com">jayant.prakash@enterohealthcare.com</a> Tel: +91 22-69019100	<a href="http://www.enterohealthcare.com">www.enterohealthcare.com</a>

PROMOTERS OF OUR COMPANY: PRABHAT AGRAWAL, PREM SETHI, AND ORBIMED ASIA III MAURITIUS LIMITED

DETAILS OF THE OFFER

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIB, NII & RII
Fresh Issue and Offer for Sale	7,955,769 <sup>#</sup> Equity Shares aggregating to ₹10,000 million	4,769,475 <sup>#</sup> Equity Shares aggregating to ₹6,000 <sup>#</sup> million	12,725,244 <sup>#*</sup> Equity Shares aggregating to ₹16,000 <sup>#</sup> million	The Offer was made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (“ <b>SCRR</b> ”) read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(2) of the SEBI ICDR Regulations. For further details, see ‘Other Regulatory and Statutory Disclosures - Eligibility for the Offer’ on page 489. For details in relation to share reservation amongst QIBs, NIIs, RIIs and Eligible Employees, see ‘Offer Structure’ on page 511.

<sup>#</sup>Subject to finalisation of Basis of Allotment

<sup>\*</sup>This includes 70,237 Equity Shares aggregating to ₹80.00 million to Eligible Employees who submitted Bids in the Employee Reservation Portion.

DETAILS OF THE SELLING SHAREHOLDERS, OFFER FOR SALE AND AVERAGE COST OF ACQUISITION

NAME OF THE SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES BEING OFFERED/AMOUNT (IN ₹ MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)*	NAME OF THE SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES BEING OFFERED/AMOUNT (IN ₹ MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)*
OrbiMed Asia III Mauritius Limited	PSS	3,815,580 <sup>#</sup> Equity Shares aggregating to ₹4,800.00 <sup>#</sup> million	249.25	Petros Diamantides	OSS	15,074 <sup>#</sup> Equity Shares aggregating to ₹18.96 <sup>#</sup> million	245.94
Prabhat Agrawal	PSS	470,210 <sup>#</sup> Equity Shares aggregating to ₹591.52 <sup>#</sup> million	12.05	Prashanth Ravindrakumar	OSS	13,203 <sup>#</sup> Equity Shares aggregating to ₹16.61 <sup>#</sup> million	245.90
Prem Sethi	PSS	313,472 <sup>#</sup> Equity Shares aggregating to ₹394.35 <sup>#</sup> million	12.28	Manoj K Sanghani	OSS	12,103 <sup>#</sup> Equity Shares aggregating to ₹15.23 <sup>#</sup> million	245.90
Novacare Drug Specialities Private Limited	OSS	42,250 <sup>#</sup> Equity Shares aggregating to ₹53.15 <sup>#</sup> million	245.90	Vikramaditya Ambre	OSS	12,103 <sup>#</sup> Equity Shares aggregating to ₹15.23 <sup>#</sup> million	245.90
K.E. Prakash	OSS	39,610 <sup>#</sup> Equity Shares aggregating to ₹49.83 <sup>#</sup> million	240.53	Hemant Jose Barros	OSS	8,802 <sup>#</sup> Equity Shares aggregating to ₹11.07 <sup>#</sup> million	245.90

<sup>#</sup>Subject to finalisation of Basis of Allotment

PSS: Promoter Selling Shareholder; OSS: Other Selling Shareholder; For details of the other Selling Shareholders and their weighted average cost of acquisition per Equity Share, see “The Offer” and “Summary of the Offer Document – Average cost of acquisition of Equity Shares for our Promoters and the Selling Shareholders” on pages 72 and 34 respectively.

<sup>\*</sup>As certified by N B T & Co, Chartered Accountants (Firm Registration Number: 140489W), by way of their certificate dated February 13, 2024.

RISKS IN RELATION TO FIRST OFFER

The face value of the Equity Shares is ₹ 10 each. The Offer Price, Floor Price or Price Band as determined by our Company in consultation with the BRLMs and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “Basis for Offer Price” on page 131, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors were advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors were required to rely on their own examination of our Company and this Offer, including the risks involved. The Equity Shares were not recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor did SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors was invited to “Risk Factors” on page 39.

THE COMPANY’S AND THE SELLING SHAREHOLDERS’ ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and this Offer, which is material in the context of this Offer, that the information contained in this 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 Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, each of the Selling Shareholder, severally and not jointly, accepts responsibility for and confirms only the statements specifically made by such Selling Shareholder in this Prospectus solely in relation to itself and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

LISTING

The Equity Shares that have been offered through the Red Herring Prospectus and this Prospectus are proposed to be listed on BSE and NSE. Our Company has received ‘in-principle’ approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters each dated November 8, 2023, respectively. For the purposes of this Offer, BSE shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus has been delivered and a signed copy of this Prospectus has been delivered to the RoC for filing in accordance with Section 26(4) and Section 32 of the Companies Act. For details of the material contracts and documents which were available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, please see the section entitled “Material Contracts and Documents for Inspection” beginning on page 555.

BOOK RUNNING LEAD MANAGERS

LOGO	NAME	CONTACT PERSON	EMAIL & TELEPHONE
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	<b>ICICI SECURITIES LIMITED</b>	Shekher Asnani / Gaurav Mittal	<b>Tel:</b> +91 22 6807 7100 <b>E-mail:</b> entero.ipo@icicisecurities.com		
	<b>DAM CAPITAL ADVISORS LIMITED</b>	Arpi Chheda	<b>Tel:</b> +91 22 4202 2500 <b>E-mail:</b> entero.ipo@damcapital.in		
	<b>JEFFERIES INDIA PRIVATE LIMITED</b>	Suhani Bhareja	<b>Tel:</b> +91 22 4356 6000 <b>E-mail:</b> Enterohealthcare.IPO@jefferies.com		
	<b>JM FINANCIAL LIMITED</b>	Prachee Dhuri	<b>Tel:</b> +91 22 6630 3030 <b>E-mail:</b> entero.ipo@jmfll.com		
	<b>SBI CAPITAL MARKETS LIMITED</b>	Aditya Deshpande	<b>Tel:</b> +91 22 4006 9807 <b>E-mail:</b> entero.ipo@sbicaps.com		
REGISTRAR TO THE OFFER					
LOGO	NAME	CONTACT PERSON	EMAIL & TELEPHONE		
	<b>LINK INTIME INDIA PRIVATE LIMITED</b>	Shanti Gopalkrishnan	<b>Tel:</b> +91 8108114949 <b>E-mail:</b> enterohealthcare.ipo@linkintime.co.in		
BID/OFFER PROGRAMME					
<b>ANCHOR INVESTOR BIDDING DATE</b>	<b>THURSDAY, FEBRUARY 8, 2024</b>	<b>BID/OFFER OPENED ON*</b>	<b>FRIDAY, FEBRUARY 9, 2024</b>	<b>BID/OFFER CLOSED ON</b>	<b>TUESDAY, FEBRUARY 13, 2024</b>



**ENTERO HEALTHCARE SOLUTIONS LIMITED**

Our Company was incorporated as “Entero Healthcare Solutions Private Limited” as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated January 10, 2018, issued by the Registrar of Companies, Central Registration Centre, under the administrative control of the Registrar of Companies, Delhi and Haryana at New Delhi. Thereafter, our Company was converted into a public limited company pursuant to a special resolution passed in the annual general meeting of our Shareholders held on August 7, 2023, and consequently, the name of our Company was changed to ‘Entero Healthcare Solutions Limited’, and a fresh certificate of incorporation dated August 25, 2023, was issued by the RoC. For details of changes in the name and registered office address of our Company, see ‘History and Certain Corporate Matters’ on page 209.

**Registered Office:** Plot No. I-35, Building - B, Industrial Area Phase - I, 13/7 Mathura Road, Faridabad 121 003, Haryana, India; **Tel:** 0129-4877300  
**Corporate Office:** 605 & 606, 6<sup>th</sup> Floor, Trade Centre Bandra Kurla Complex, Bandra East, Mumbai 400 051 Maharashtra, India; **Tel:** +91 22 69019100  
**Contact Person:** Jayant Prakash, Vice President - General Counsel, Company Secretary and Compliance Officer  
**E-mail:** jayant.prakash@enterohealthcare.com; **Website:** www.enterohealthcare.com  
**Corporate Identity Number:** U74999HR2018PLC072204

**PROMOTERS OF OUR COMPANY: PRABHAT AGRAWAL, PREM SETHI, AND ORBIMED ASIA III MAURITIUS LIMITED**

**INITIAL PUBLIC OFFERING OF 12,725,244<sup>\*</sup> EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (“EQUITY”) OF ENTERO HEALTHCARE SOLUTIONS LIMITED (OUR “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹1,258 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 1,248 PER EQUITY SHARE (THE “OFFER PRICE”) AGGREGATING TO ₹ 16,000<sup>\*</sup> MILLION (THE “OFFER”). THE OFFER COMPRISES OF A FRESH ISSUE OF 7,955,769<sup>\*</sup> EQUITY SHARES BY OUR COMPANY AGGREGATING TO ₹ 10,000<sup>\*</sup> MILLION (THE “FRESH ISSUE”) AND AN OFFER FOR SALE OF 4,769,475<sup>\*</sup> EQUITY SHARES (THE “OFFERED SHARES”) AGGREGATING TO ₹ 6,000<sup>\*</sup> MILLION (THE “OFFER FOR SALE”), COMPRISING OF 470,210<sup>\*</sup> EQUITY SHARES AGGREGATING TO ₹ 591.52<sup>\*</sup> MILLION BY PRABHAT AGRAWAL, 313,472<sup>\*</sup> EQUITY SHARES AGGREGATING TO ₹ 394.35<sup>\*</sup> MILLION BY PREM SETHI, 3,815,580<sup>\*</sup> EQUITY SHARES AGGREGATING TO ₹ 4,800.00<sup>\*</sup> MILLION BY ORBIMED ASIA III MAURITIUS LIMITED, 4,401<sup>\*</sup> EQUITY SHARES AGGREGATING TO ₹ 55.54<sup>\*</sup> MILLION BY CHETHAN M.P., 1,320<sup>\*</sup> EQUITY SHARES AGGREGATING TO ₹ 1.66<sup>\*</sup> MILLION BY DEEPESH T. GALA, 8,802<sup>\*</sup> EQUITY SHARES AGGREGATING TO ₹ 11.07<sup>\*</sup> MILLION BY HEMANT JOSE BARROS, 4,401<sup>\*</sup> EQUITY SHARES AGGREGATING TO ₹ 5.54<sup>\*</sup> MILLION BY HEMANT JAGGI, 2,201<sup>\*</sup> EQUITY SHARES AGGREGATING TO ₹ 2.77<sup>\*</sup> MILLION BY K.R.V.S. VARAPRASAD, 39,610<sup>\*</sup> EQUITY SHARES AGGREGATING TO ₹ 49.83<sup>\*</sup> MILLION BY K.E. PRAKASH, 1,320<sup>\*</sup> EQUITY SHARES AGGREGATING TO ₹ 1.66<sup>\*</sup> MILLION BY LAVU SAHADEV, 12,103<sup>\*</sup> EQUITY SHARES AGGREGATING TO ₹ 15.23<sup>\*</sup> MILLION BY MANOJ K SANGHANI, 8,802<sup>\*</sup> EQUITY SHARES AGGREGATING TO ₹ 11.07<sup>\*</sup> MILLION BY MILLENNIUM MEDICARE PRIVATE LIMITED, 2,201<sup>\*</sup> EQUITY SHARES AGGREGATING TO ₹ 2.77<sup>\*</sup> MILLION BY K. NAVEEN KUMAR GUPTA, 42,250<sup>\*</sup> EQUITY SHARES AGGREGATING TO ₹ 53.15<sup>\*</sup> MILLION BY NOVACARE DRUG SPECIALITIES PRIVATE LIMITED, 15,074<sup>\*</sup> EQUITY SHARES AGGREGATING TO ₹ 18.96<sup>\*</sup> MILLION BY PETROS DIAMANTIDES, 13,203<sup>\*</sup> EQUITY SHARES AGGREGATING TO ₹ 16.61<sup>\*</sup> MILLION BY PRASHANTH RAVINDRAKUMAR, 1,102<sup>\*</sup> EQUITY SHARES AGGREGATING TO ₹ 1.39<sup>\*</sup> MILLION BY SURAJ PRAKASH ATREJA, 1,320<sup>\*</sup> EQUITY SHARES AGGREGATING TO ₹ 1.66<sup>\*</sup> MILLION BY VENKATA RAMANA SIVA KUMAR YANAMADALA, 12,103<sup>\*</sup> EQUITY SHARES AGGREGATING TO ₹ 15.23<sup>\*</sup> MILLION BY VIKRAMADITYA AMBRE (COLLECTIVELY THE “SELLING SHAREHOLDERS”) (THE “OFFER FOR SALE, AND TOGETHER WITH THE FRESH ISSUE, THE “OFFER”). THE OFFER WILL CONSTITUTE 29.25%<sup>\*</sup> OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE OFFER INCLUDED A RESERVATION OF 70,237<sup>\*</sup> EQUITY SHARES, AGGREGATING TO ₹ 80<sup>\*</sup> MILLION (CONSTITUTING 0.16%<sup>\*</sup> OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL), FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (“EMPLOYEE RESERVATION PORTION”). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE “NET OFFER”. THE OFFER AND THE NET OFFER CONSTITUTE 29.25%<sup>\*</sup> AND 29.09%<sup>\*</sup>, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS, OFFERED A DISCOUNT OF 9.46% TO THE OFFER PRICE TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION (“EMPLOYEE DISCOUNT”).**

*\*Subject to finalisation of Basis of Allotment*

**THE PRICE BAND AND THE MINIMUM BID LOT SIZE AND EMPLOYEE DISCOUNT WERE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND WERE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL DAILY NEWSPAPER, THE FINANCIAL EXPRESS, ALL EDITIONS OF THE HINDI NATIONAL DAILY NEWSPAPER, JANSATTA AND THE FARIDABAD EDITION OF THE HINDI DAILY NEWSPAPER SATYAJAY TIMES (HINDI ALSO BEING THE REGIONAL LANGUAGE OF THE STATE WHEREIN THE REGISTERED OFFICE OF OUR COMPANY IS LOCATED) EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ OFFER OPENING DATE AND WERE MADE AVAILABLE TO BSE LIMITED (“BSE”) AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED (“NSE”, AND TOGETHER WITH BSE, THE “STOCK EXCHANGES”) FOR UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE “SEBI ICDR REGULATIONS”).**

**THE FACE VALUE OF EQUITY SHARES IS ₹ 10 EACH. THE OFFER PRICE IS 125.80 TIMES THE FACE VALUE OF THE EQUITY SHARES.**

The Offer was made through the 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 in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Net Offer was allocated on a proportionate basis to the Qualified Institutional Buyers (“QIBs”) (“QIB Portion”), provided that our Company in consultation with the BRLMs, allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“Anchor Investor Portion”), of which at least one-third was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares were added to the Net QIB Portion (excluding the Anchor Investor Portion) (“Net QIB Portion”). Further, 5% of the Net QIB Portion was made available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion was made available for allocation on a proportionate basis to all QIBs other than Anchor Investors, including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. Further, not more than 15% of the Net Offer was made available for allocation on a proportionate basis to Non-Institutional Investors of which (a) one-third of such portion was reserved for applicants with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two-third of such portion was reserved for applicants with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of such sub-categories was allowed to be allocated to applicants in the other sub-category of Non-Institutional Bidders and not more than 10% of the Net Offer was made available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price. Further, Equity Shares were allotted on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids having been received from them at or above the Offer Price (net of Employee Discount, if any). All potential Bidders (except Anchor Investors) were 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 UPI Bidders) if applicable, in which the corresponding Bid Amounts were blocked by the SCSBs or by the Sponsor Bank(s) under the UPI Mechanism, as applicable, to the extent of the respective Bid Amounts. Anchor Investors were not permitted to participate in the Offer through the ASBA process. For details, see “Offer Procedure” beginning on page 514.

**RISKS IN RELATION TO FIRST OFFER**

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each. The Offer Price, Floor Price or Price Band as determined by our Company in consultation with the BRLMs and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “Basis for Offer Price” on page 131, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and investors were advised not to invest any funds in this Offer unless they could afford to take the risk of losing their entire investment. Investors were advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors were required to rely on their own examination of the Issuer and this Offer, including the risks involved. The Equity Shares were not recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor did SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus and this Prospectus. Specific attention of the investors was invited to “Risk Factors” on page 39.

**THE COMPANY’S AND THE SELLING SHAREHOLDERS’ ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and this Offer, which is material in the context of this Offer, that the information contained in this 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 Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, each of the Selling Shareholder, severally and not jointly, accepts responsibility for and confirms only the statements specifically made by such Selling Shareholder in this Prospectus solely in relation to itself and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

**LISTING**

The Equity Shares offered through the Red Herring Prospectus and this 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 each dated November 8, 2023. For the purposes of this Offer, BSE shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and this Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents which were available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see “Material Contracts and Documents for Inspection” on page 555.

**BOOK RUNNING LEAD MANAGERS**

**REGISTRAR TO THE OFFER**

<b>ICICI SECURITIES LIMITED</b> ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025 <b>Tel:</b> +91 22 6807 7100 <b>Email:</b> entero.ipo@icicisecurities.com <b>Investor grievance email:</b> customercare@icicisecurities.com <b>Website:</b> www.icicisecurities.com <b>Contact person:</b> Shekher Asnani / Gaurav Mittal <b>SEBI registration no:</b> INM000011179	<b>DAM CAPITAL ADVISORS LIMITED</b> One BKC, Tower C, 15th Floor, Unit No. 1511, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 <b>Tel:</b> +91 22 4202 2500 <b>E-mail:</b> entero.ipo@damcapital.in <b>Investor grievance e-mail:</b> complaint@damcapital.in <b>Website:</b> www.damcapital.in <b>Contact Person:</b> Arpi Chheda <b>SEBI Registration:</b> MB/INM000011336	<b>JEFFERIES INDIA PRIVATE LIMITED</b> 16th Floor, Express Towers, Nariman Point, Mumbai 400 021 Maharashtra, India <b>Tel:</b> +91 22 4356 6000 <b>E-mail:</b> Enterohealthcare.IPO@jefferies.com <b>Investor grievance e-mail:</b> jipl.grievance@jefferies.com <b>Website:</b> www.jefferies.com <b>Contact Person:</b> Suhani Bhareja <b>SEBI Registration:</b> INM000011443	<b>JM FINANCIAL LIMITED</b> 7 <sup>th</sup> Floor, Nerogy Appasaheb Marathe Marg Prabhadevi, Mumbai 400 025 Maharashtra, India <b>Tel:</b> +91 22 6630 3030 <b>E-mail:</b> entero.ipo@jmfl.com <b>Investor Grievance E-Mail:</b> grievance.ibd@jmfl.com <b>Website:</b> www.jmfl.com <b>Contact person:</b> Prachee Dhuri <b>SEBI Registration No.:</b> INM000010361	<b>SBI CAPITAL MARKET’S LIMITED</b> Unit No. 1501, 15th floor, A & B Wing, Parinee Crescenzo Building, Plot C- 38, G Block, Bandra Kurla Complex, Bandra (East), Mumbai- 400 051, Maharashtra. <b>Tel:</b> +91 22 4006 9807 <b>E-mail:</b> entero.ipo@sbicaps.com <b>Investor Grievance E-Mail:</b> investor.relations@sbicaps.com <b>Website:</b> www.sbicaps.com <b>Contact person:</b> Aditya Deshpande <b>SEBI Registration No.:</b> INM000003531	<b>LINK INTIME INDIA PRIVATE LIMITED</b> C-101, 1 <sup>st</sup> floor, 247 Park, Lal Bahadur Shastri Marg Vikhroli (West) Mumbai 400 083, Maharashtra, India <b>Tel:</b> +91 8108114949 <b>E-mail:</b> enterohealthcare.ipo@linkintime.co.in <b>Investor grievance e-mail:</b> enterohealthcare.ipo@linkintime.co.in <b>Website:</b> www.linkintime.co.in <b>Contact person:</b> Shanti Gopalkrishnan <b>SEBI Registration No.:</b> INR000004058

**BID/OFFER PROGRAMME**

<b>BID/ OFFER OPENED ON:</b>	<b>FRIDAY, FEBRUARY 9, 2024</b>
<b>BID/ OFFER CLOSED ON:</b>	<b>TUESDAY, FEBRUARY 13, 2024</b>

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification, direction or clarification shall be to such legislation, act, regulation, rule, guideline, policy, circular, notification, direction or clarification as amended, updated, supplemented, re-enacted or modified, 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 Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms in the SEBI Act, SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder. Further, the Offer related terms used but not defined in this Prospectus shall have the meaning ascribed to such terms under the General Information Document.*

*Notwithstanding the foregoing, the terms used in “Industry Overview”, “Statement of Possible Special Tax Benefits”, “Financial Information”, “Basis for Offer Price”, “History and Certain Corporate Matters”, “Financial Indebtedness”, “Outstanding Litigation and Material Developments”, “Offer Procedure”, “Key Regulations and Policies”, and “Main Provision of the Articles of Association” on pages 145, 140, 279, 131, 209, 466, 475, 514, 201, and 535 respectively, shall have the meaning ascribed specifically to such terms in the relevant sections.*

#### General Terms

Term	Description
“the Company”, “our Company”, or “the Issuer”	Entero Healthcare Solutions Limited, a public limited company incorporated under the Companies Act, 2013, and having its registered office at Plot No. I-35, Building - B, Industrial Area Phase - I, 13/7 Mathura Road, Faridabad 121 003, Haryana, India.
“we”, “our” or “us”	Unless the context otherwise indicates or implies, our Company together with its Subsidiaries as applicable, as at and during the relevant period / Fiscal/ Financial Year.

#### Company Related Terms

Term	Description
“Articles” or “Articles of Association” or “AoA”	The articles of association of our Company, as amended from time to time.
Audit Committee	The audit committee of our Board, as described in “ <i>Our Management</i> ” on page 250.
“Auditors” or “Statutory Auditors”	The current statutory auditors of our Company, namely, M S K A & Associates, Chartered Accountants.
“Board” or “Board of Directors”	The board of directors of our Company (including any duly constituted committee thereof).
“CCPS” or “Preference Shares”	Collectively, Series A1 CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS and Series A5 CCPS which were converted into Equity Shares of our Company.
“Chairperson”	Chairperson of our Company, as described in “ <i>Our Management</i> ” on page 250.
“Chief Financial Officer” or “Group Chief Financial Officer”	The group chief financial officer of our Company, namely Chebolu Venkata Ramana Ram (“CV Ram”)
“Corporate Promoter” or “Corporate Promoter Selling Shareholder” or “OrbiMed”	OrbiMed Asia III Mauritius Limited
“Corporate Office”	The corporate office of our Company is located at 605 & 606, 6 <sup>th</sup> Floor, Trade Centre Bandra Kurla Complex, Bandra East, Mumbai - 400 051 Maharashtra, India.
“CRISIL”	CRISIL Limited.
“CRISIL Report”	Industry report prepared by CRISIL titled “Assessment of the pharmaceutical and pharmaceutical delivery industry in India” dated November, 2023.
“Director(s)”	The director(s) on our Board.
“Equity Shares”	The equity shares of our Company of face value of ₹ 10 each.
“Executive Director(s)”	Executive director(s) on our Board.

<b>Term</b>	<b>Description</b>
Group Companies	The company(ies) identified as ‘group companies’ in accordance with Regulation 2(1)(t) of the SEBI ICDR Regulations, namely, Novacare Drug Specialities Private Limited and Medmate Pharma Private Limited.
“Independent Director(s)”	Independent director(s) on our Board.
“Individual Promoters” or “Individual Promoter Selling Shareholders”	Prabhat Agrawal and Prem Sethi
“IPO Committee”	The committee constituted by our Board for the Offer, as described in “ <i>Our Management</i> ” on page 266.
“Key Managerial Personnel”	Key managerial personnel of our Company in terms of the SEBI ICDR Regulations and as disclosed in “ <i>Our Management – Key Managerial Personnel</i> ” on page 270.
“Managing Director and Chief Executive Officer”	Managing director and chief executive officer of our Company, as described in “ <i>Our Management</i> ” on page 250.
“Materiality Policy”	Policy for identification of Group Companies, material outstanding litigation involving our Company, our Subsidiaries, our Promoters and our Directors and material creditors of the Company, pursuant to the disclosure requirements under SEBI ICDR Regulations, as adopted by the Board through its resolution dated September 7, 2023.
“Material Subsidiaries”	The material subsidiaries of our Company in accordance with the SEBI Listing Regulations, i.e., subsidiaries which contribute 10% or more to the income or net worth of the immediately preceding financial year included in the Restated Consolidated Financial Information. As on the date of this Prospectus, our Company does not have any material subsidiaries identified in terms of the SEBI Listing Regulations.
“Memorandum” or “Memorandum of Association” or “MoA”	The memorandum of association of our Company, as amended from time to time.
“Nomination and Remuneration Committee”	The Nomination and Remuneration Committee of our Board, as described in “ <i>Our Management</i> ” on page 260.
“Non-executive Director(s)”	Non-executive director(s) of our Company, as described in “ <i>Our Management</i> ” on page 251.
“Other Corporate Selling Shareholders”	Millennium Medicare Private Limited and Novacare Drug Specialities Private Limited
“Other Selling Shareholders”	Chethan M.P., Deepesh T. Gala, Hemant Jose Barros, Hemant Jaggi, K.R.V.S. Varaprasad, K.E. Prakash, Lavu Sahadev, Manoj K Sanghani, Millennium Medicare Private Limited, K. Naveen Kumar Gupta, Novacare Drug Specialities Private Limited, Petros Diamantides, Prashanth Ravindrakumar, Suraj Prakash Atreja, Venkata Ramana Siva Kumar Yanamadala, and Vikramaditya Ambre.
“Individual Selling Shareholders”	Chethan M.P., Deepesh T. Gala, Hemant Jose Barros, Hemant Jaggi, K.R.V.S. Varaprasad, K.E. Prakash, Lavu Sahadev, Manoj K Sanghani, K. Naveen Kumar Gupta, Petros Diamantides, Prashanth Ravindrakumar, Suraj Prakash Atreja, Venkata Ramana Siva Kumar Yanamadala, and Vikramaditya Ambre.
“Pro Forma Financial Information”	<p>The pro forma financial information consists of the pro forma consolidated balance sheet as at September 30, 2023, and March 31, 2023, pro forma consolidated statement of profit and loss for the six months ended September 30, 2023 and for the year ended March 31, 2023 and related notes for inclusion in this Prospectus by the Company. The applicable criteria, on the basis of which the management has compiled the pro forma financial information of pro forma consolidated balance sheet as at September 30, 2023 and March 31, 2023, pro forma consolidated statement of profit and loss for the six months ended September 30, 2023 and for the year ended March 31, 2023, and related notes thereto, as required by clause 11(I)(B)(iii) of the SEBI ICDR Regulations, as required by the management, are specified in the “Basis of preparation” paragraph as described in Note 2 to the pro forma financial information.</p> <p>The pro forma financial information has been compiled by the Company’s management to illustrate the impact of the acquisitions set out in the “Acquisition Details” paragraph as described in Note 3 to the pro forma financial information, on the Company’s financial position as at September 30, 2023, and March 31, 2023, as if the acquisitions had taken place as at April 1, 2022.</p>
“Promoters” or “Promoter Selling Shareholders”	Prabhat Agrawal, Prem Sethi, and OrbiMed Asia III Mauritius Limited.

Term	Description
“Promoter Group”	The entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations. For details, see “ <i>Our Promoters and Promoter Group</i> ” on page 273.
“PUFT”	Prasid Uno Family Trust
“Registered Office”	The registered office of our Company is located at Plot No. I-35, Building - B, Industrial Area Phase - I, 13/7 Mathura Road, Faridabad 121 003, Haryana, India.
“Registrar of Companies” or “RoC”	The Registrar of Companies, Delhi and Haryana at New Delhi.
“Restated Consolidated Financial Information”	The restated consolidated financial information of our Company, along with our Subsidiaries, comprising of the restated consolidated statement of assets and liabilities as at September 30, 2023, September 30, 2022, March 31, 2023, March 31, 2022, and March 31, 2021, the restated consolidated statement of profit and loss (including other comprehensive income) for the six months ended September 30, 2023 and September 30, 2022, the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021, the restated consolidated statement of cash flows, the restated consolidated statement of changes in equity for the six months ended September 30, 2023 and September 30, 2022, the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021, the summary statement of significant accounting policies, and other explanatory information prepared in terms of the requirements of Section 26 of Part I of Chapter III of Companies Act, SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)”, as amended issued by ICAI.
“Selling Shareholders”	Collectively, the Promoter Selling Shareholders and the Other Selling Shareholders.
“Senior Management”	Senior management of our Company in terms of Regulation 2(1)(bbbbb) of the SEBI ICDR Regulations, as disclosed in “ <i>Our Management</i> ” on page 270.
“Series A1 CCPS”	Series A1 Compulsorily Convertible Preference Shares of face value of ₹10 each which were converted into Equity Shares of our Company.
“Series A2 CCPS”	Series A2 Compulsorily Convertible Preference Shares of face value of ₹10 each which were converted into Equity Shares of our Company.
“Series A3 CCPS”	Series A3 Compulsorily Convertible Preference Shares of face value of ₹10 each which were converted into Equity Shares of our Company.
“Series A4 CCPS”	Series A4 Compulsorily Convertible Preference Shares of face value of ₹10 each which were converted into Equity Shares of our Company.
“Series A5 CCPS”	Series A5 Compulsorily Convertible Preference Shares of face value of ₹10 each which were converted into Equity Shares of our Company.
“Shareholders”	The holders of the Equity Shares from time to time.
“Shareholder’s Agreement” or “SHA”	Shareholder’s Agreement dated July 25, 2018, entered into between and amongst the Company, the Promoters, and IM Investments Trust and other shareholders (“ <b>2018 SHA</b> ”), along with the Supplementary Shareholder’s Agreement dated August 6, 2018 (“ <b>Supplementary Agreement</b> ”), the first addendum to the SHA dated February 5, 2019 (“ <b>First Addendum</b> ”), the second addendum dated August 3, 2023, (“ <b>Second Addendum</b> ”) and third addendum dated September 6, 2023 (“ <b>Third Addendum</b> ”), amended pursuant to the amendment agreement dated September 6, 2023, to the shareholder’s agreement dated July 25, 2018 (“ <b>SHA Amendment</b> ” and collectively “the <b>Shareholder’s Agreement</b> ” or the “ <b>SHA</b> ”)
“Stakeholders’ Relationship Committee”	The stakeholders’ relationship committee of our Board as described in “ <i>Our Management</i> ” on page 263.
“Subsidiaries”	The subsidiaries of our Company as on the date of this Prospectus, being Atreja Healthcare Solutions Private Limited, Avenues Pharma Distributors Private Limited, Barros Enterprises Private Limited, Calcutta Medisolutions Private Limited, Chethana Healthcare Solutions Private Limited, Chethana Pharma Private Limited, Chethana Pharma Distributors Private Limited, Chhabra Healthcare Solutions Private Limited, Chirag Medicare Solutions Private Limited, City Pharma Distributors Private Limited, CPD Pharma Private Limited, Curever Pharma Private Limited, Dhanvanthri Super Speciality Private Limited, Entero R.S. Enterprises Private Limited, Galaxystar Pharma Distributors Private Limited, Getwell Medicare Solution Private Limited, G.S. Pharmaceutical Distributors Private Limited, Jaggi Enterprises Private Limited, Millennium Medisolutions Private Limited, New RRPD Private Limited, New Siva Agencies Private Limited, Novacare Healthcare Solutions Private Limited, Quomed Lifesciences Private Limited, R S M Pharma Private Limited, Rada Medisolutions Private Limited, Rimedio Pharma Private Limited, Saurashtra Medisolutions Private Limited, Sesha Balajee Medisolutions Private Limited, Sree Venkateshwara Medisolutions Private Limited, S.S. Pharma Traders Private Limited, Sri Parshva Pharma Distributors Private Limited, Sri Rama Pharmaceutical Distributors Private Limited,



<b>Term</b>	<b>Description</b>
	Sundarlal Pharma Distributors Private Limited, SVMED Solutions Private Limited, SVS Lifesciences Private Limited, Swami Medisolutions Private Limited, Vasavi Medicare Solutions Private Limited, Western Healthcare Solutions Private Limited, and Zennx Software Solutions Private Limited. For the purpose of the Restated Consolidated Financial Information included in this Prospectus, “subsidiaries” would mean subsidiaries of our Company as at and for the relevant Fiscal/financial period.
“Vice President - General Counsel, Company Secretary and Compliance Officer”	Vice president - general counsel, company secretary and compliance officer of our Company, namely Jayant Prakash.
“Whole-time Director”	Whole-time director of our Company, namely Prem Sethi.

#### Offer Related Terms

<b>Term</b>	<b>Description</b>
“Abridged Prospectus”	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf
“Acknowledgement Slip”	The slip or document issued by the relevant Designated Intermediary (ies) to the Bidder as proof of registration of the Bid cum Application Form.
“Allot’ or “Allotment” or “Allotted”	Allotment of Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares by the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders.
“Allotment Advice”	Advice or intimation of Allotment sent to the Bidders who had bid in the Offer after the Basis of Allotment has been approved by the Designated Stock Exchange.
“Allottee”	A successful Bidder to whom an Allotment is made.
“Anchor Investor(s)”	A Qualified Institutional Buyer, who applied under the Anchor Investor Portion in accordance with SEBI ICDR Regulations and the Red Herring Prospectus, and who had Bid for an amount of at least ₹ 100 million.
“Anchor Investor Allocation Price”	The final price at which Equity Shares were allocated to Anchor Investors on the Anchor Investor Bidding Date according to the terms of the Red Herring Prospectus, which was decided by our Company in consultation with the BRLMs.
“Anchor Investor Application Form”	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which was considered as an application for Allotment in terms of the Red Herring Prospectus and this Prospectus.
“Anchor Investor Bid/ Offer Period” or “Anchor Investor Bidding Date”	The date, one Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors were submitted, prior to and after which the BRLMs did not accept any Bids from Anchor Investors, and allocation to Anchor Investors was completed.
“Anchor Investor Offer Price”	The price at which the Equity Shares were Allotted to Anchor Investors in terms of the Red Herring Prospectus and this Prospectus, which price was equal to or higher than the Offer Price but not higher than the Cap Price.  The Anchor Investor Offer Price was decided by our Company in consultation with the BRLMs.
“Anchor Investor Portion”	60% of the QIB Portion, constituting 5,694,753 <sup>#</sup> Equity Shares which has been allocated by our Company in consultation with the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. <i>#Subject to finalisation of Basis of Allotment</i> One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
“Anchor Investor Pay-in Date”	With respect to Anchor Investor(s), it was the Anchor Investor Bidding Date
“ASBA” or “Application Supported by Blocked Amount”	An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount the relevant ASBA Account and which included applications made by UPI Bidders using the UPI Mechanism where the Bid Amount were blocked upon acceptance of the UPI Mandate Request by the UPI Bidders using the UPI Mechanism
“ASBA Account”	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders, for blocking the Bid Amount mentioned in the relevant ASBA Form and included the account of a UPI Bidder linked to a UPI ID, which was blocked upon acceptance of a UPI Mandate Request made by the UPI Bidders using the UPI Mechanism
“ASBA Bid”	A Bid made by an ASBA Bidder.
“ASBA Bidder(s)”	Any Bidder (other than an Anchor Investor) in the Offer who intends to submit a Bid.
“ASBA Form”	An application form, whether physical or electronic, used by ASBA Bidders which was

<b>Term</b>	<b>Description</b>
	considered as the application for Allotment in terms of the Red Herring Prospectus and this Prospectus.
“Banker(s) to the Offer”	Collectively, the Escrow Collection Bank, Refund Bank, Public Offer Account Bank and the Sponsor Bank(s), as the case may be
“Basis of Allotment”	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, described in “Offer Procedure” on page 514.
“Bid(s)”	An indication by a Bidder (other than an Anchor Investor) to make an offer during the Bid/Offer Period pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of the Anchor Investor Application Form, to subscribe to or purchase Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the Bid cum Application Form.  The term ‘Bidding’ shall be construed accordingly.
“Bid Amount”	In relation to each Bid, the highest value of optional Bids indicated in the Bid cum Application Form (less Employee Discount, if any) and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid.  Eligible Employees applying in the Employee Reservation Portion could apply at the Cut Off Price and the Bid Amount shall be Cap Price, net of Employee Discount, if any, multiplied by the number of Equity Shares Bid for such Eligible Employee and mentioned in the Bid cum Application Form  The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee did not exceed ₹500,000 (net of Employee Discount, if any). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion did not exceed ₹200,000 (net of Employee Discount, if any). Only in the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion was available for allocation and Allotment, proportionately to all Eligible Employees who had Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000 (net of Employee Discount)
“Bid cum Application Form”	The Anchor Investor Application Form or the ASBA Form, as the context requires.
“Bidder” or “Applicant”	Any investor who made a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
“Bidding Centres”	Centres at which the Designated Intermediaries accepted the ASBA Forms, i.e., Designated SCSB Branches 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”	11 Equity Shares.
“Bid/ Offer Closing Date”	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries did not accept any Bids, which was notified in all editions of the English national daily newspaper, The Financial Express, and all editions of the Hindi national daily newspaper, Jansatta, and the Faridabad edition of the Hindi daily newspaper, The Satyajay Times, (Hindi also being the regional language of the state wherein our Registered Office is located) each with wide circulation.
“Bid/ Offer Opening Date”	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries started accepting Bids, which was notified in all editions of the English national daily newspaper, The Financial Express, and all editions of the Hindi national daily newspaper, Jansatta, and the Faridabad edition of the Hindi daily newspaper, The Satyajay Times, (Hindi also being the regional language of state wherein our Registered Office is located), each with wide circulation.
“Bid/ Offer Period”	Except in relation to Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date, inclusive of both days, during which Bidders could submit their Bids, including any revisions thereof.
“Book Building Process”	The book building process provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.
“Book Running Lead Managers” or “BRLMs”	The book running lead managers to the Offer, being ICICI Securities Limited, DAM Capital Advisors Limited, Jefferies India Private Limited, JM Financial Limited and SBI

<b>Term</b>	<b>Description</b>
	Capital Markets Limited.
“Broker Centres”	<p>Broker centres notified by the Stock Exchanges where ASBA Bidders could submit the ASBA Forms to a Registered Broker (in case of UPI Bidders, only using UPI Mechanism).</p> <p>The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges at <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a>.</p>
“CAN” or “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 Bidding Date.
“Cap Price”	<p>₹1,258 per Equity Share, being the higher end of the Price Band, above which the Offer Price and Anchor Investor Offer Price has not been finalised and above which no Bids have been accepted.</p> <p>Cap Price was at least 105% of the Floor Price and did not exceed 120% of the Floor Price.</p>
“Cash Escrow and Sponsor Banks Agreement”	The agreement dated February 3, 2024, amongst our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Escrow Collection Bank, the Public Offer Account Bank, the Sponsor Banks, and the Refund Bank for among other things, collection of the Bid Amounts from the Anchor Investors and where applicable, refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof.
“Client ID”	Client identification number maintained with one of the Depositories in relation to the demat account.
“CDP” or “Collecting Depository Participant”	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. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI and the UPI Circulars, and as per the list available on the websites of BSE and NSE.
“Compliance Officer for the Offer”	Compliance officer for the Offer in terms of the SEBI ICDR Regulations.
“Cut-Off Price”	<p>Offer Price, being ₹ 1,258 per Equity Share, finalised by our Company in consultation with the BRLMs.</p> <p>Only Retail Individual Bidders bidding in the Retail Portion and Eligible Employees Bidding in the Employee Reservation Portion were entitled to Bid at the Cut-off Price (net of Employee Discount for Eligible Employees). QIBs (including Anchor Investor) and Non-Institutional Bidders were not entitled to Bid at the Cut-off Price.</p>
“DAM Capital” or “DAM”	DAM Capital Advisors Limited
“Demographic Details”	Details of the Bidders including the Bidders’ address, name of the Bidders’ father/husband, investor status, occupation, bank account details and UPI ID, wherever applicable.
“Designated Branches”	Such branches of the SCSBs which collected the ASBA Forms, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.
“Designated CDP Locations”	<p>Such locations of the CDPs where Bidders (other than Anchor Investors) could submit the ASBA Forms.</p> <p>The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants which were eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (<a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a>, respectively,) as updated from time to time.</p>
“Designated Date”	The date on which the Escrow Collection Bank transfers funds from the Escrow Account(s) to the Public Offer Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of the Red Herring Prospectus and this Prospectus following which the Equity Shares will be Allotted in the Offer.
“Designated Intermediary(ies)”	In relation to ASBA Forms submitted by Retail Individual Bidders and Eligible Employees in the Employee Reservation Portion by authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries meant SCSBs.

Term	Description
	<p>In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount was blocked upon acceptance of UPI Mandate Request by such UPI Bidder, as the case may be, using the UPI Mechanism, Designated Intermediaries meant Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs</p> <p>In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries meant Syndicate, sub-Syndicate/agents, SCSBs, Registered Brokers, the CDPs and RTAs</p>
“Designated RTA Locations”	<p>Such locations of the RTAs where Bidders (other than Anchor Investors) could submit the ASBA Forms to RTAs.</p> <p>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, respectively,) as updated from time to time.</p>
“Designated SCSB Branches”	Such branches of the SCSBs which could collect the ASBA Forms used by the 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 Stock Exchange”	BSE
“Draft Red Herring Prospectus or DRHP”	The draft red herring prospectus dated September 13, 2023, issued in accordance with the SEBI ICDR Regulations, which did not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer.
Eligible Employees	<p>Permanent employees, working in India or outside India (excluding such employees who are not eligible to invest in the Offer under applicable laws), of our Company or of Corporate Promoter or of our Subsidiaries; or a Director of our Company, whether whole-time or not, as of the date of the filing of the Red Herring Prospectus with the RoC and continued to be a permanent employee until the date of submission of the Bid cum Application Form, but not including (i) Promoters; (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, held more than 10% of the outstanding Equity Shares of our Company.</p> <p>The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee could not exceed ₹ 0.50 million (net of Employee Discount, if any). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion could not exceed ₹ 0.20 million. 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 ₹ 0.20 million, subject to the total Allotment to an Eligible Employee not exceeding ₹ 0.50 million (net of Employee Discount)</p>
“Eligible NRI”	NRI(s) from jurisdictions outside India where it was not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constituted an invitation to subscribe to, or purchase the Equity Shares.
“Employee Discount”	A discount of 9.46% to the Offer Price (equivalent of ₹119 per Equity Share) offered by our Company, in consultation with the BRLMs, to Eligible Employees and which was announced at least two Working Days prior to the Bid / Offer Opening Date.
“Employee Reservation Portion”	<p>The portion of the Offer being 70,237<sup>#</sup> Equity Shares aggregating ₹80.00<sup>#</sup> million which did not exceed 5% of the post-Offer equity share capital of our Company, available for allocation to Eligible Employees, on a proportionate basis</p> <p><i>#Subject to finalisation of Basis of Allotment</i></p>
“Escrow Account(s)”	Account(s) opened with the Escrow Collection Bank and in whose favour Anchor Investors transferred the money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount while submitting a Bid.
“Escrow Collection Bank”	A bank which is a clearing member and registered with SEBI as a banker to an issue, and with whom the Escrow Account(s) was opened, in this case being Axis Bank Limited.
“First or sole Bidder”	The Bidder whose name has been mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name also appeared as the first holder



Term	Description
	of the beneficiary account held in joint names.
“Floor Price”	₹1,195 per Equity Share, being the lower end of the Price Band at or above which the Offer Price and the Anchor Investor Offer Price was finalised and below which no Bids were accepted.
“Fresh Issue”	The issue of 7,955,769 <sup>#</sup> Equity Shares aggregating to ₹ 10,000 <sup>#</sup> million by our Company. <sup>#</sup> <i>Subject to finalisation of Basis of Allotment</i>
“General Information Document” or “GID”	The General Information Document for investing in public offers, prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 issued by SEBI, suitably modified and updated pursuant to, among others, the circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 issued by SEBI.
“ICICI Securities” or “I-Sec”	ICICI Securities Limited.
“JM Financial” or “JM”	JM Financial Limited.
“Jefferies”	Jefferies India Private Limited.
“Maximum RIB Allottees”	Maximum number of RIBs who could be allotted the minimum Bid Lot. This was computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot.
“Monitoring Agency”	ICRA Limited
“Monitoring Agency Agreement”	The agreement dated February 1, 2024 entered into between our Company and the Monitoring Agency
“Mutual Fund Portion”	189,826 <sup>#</sup> Equity Shares which were available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids having been received at or above the Offer Price. <sup>#</sup> <i>Subject to finalisation of Basis of Allotment</i>
“Mutual Funds”	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
“Net Offer”	The Offer less the Employee Reservation Portion
“Net Proceeds”	Proceeds of the Fresh Issue less our Company’s share of the Offer expenses. For further details about use of the Net Proceeds and the Offer related expenses, see “ <i>Objects of the Offer – Utilisation of Net Proceeds</i> ” and “ <i>Objects of the Offer – Offer Related Expenses</i> ” on pages 116 and 127 respectively.
“Net QIB Portion”	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
“NBFC-SI” or “Systemically Important Non-Banking Financial Company”	A systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
“Non-Institutional Bidders”	Bidders that were not QIBs or Retail Individual Bidders or Eligible Employees bidding in the Employee Reservation Portion and who Bid for Equity Shares for an amount more than ₹ 200,000.
“Non-Institutional Portion”	The portion of this Offer being 15% of the Net Offer, being 1,898,251 <sup>#</sup> Equity Shares, which was available for allocation to Non-Institutional Bidders on a proportionate basis, subject to valid Bids having been received at or above the Offer Price, out of which i) one third was reserved for Bidders with Bids exceeding ₹0.20 million up to ₹1.00 million; and ii) two-thirds was reserved for Bidders with Bids exceeding ₹ 1.00 million <sup>#</sup> <i>Subject to finalisation of Basis of Allotment</i> .
“Non-Resident” or “NR”	A person resident outside India, as defined under FEMA and includes FPIs, VCFs, FVCIs and NRIs.
“Offer”	The initial public offering of 12,725,244 <sup>#</sup> Equity Shares of our Company for cash at a price of ₹1,258 per Equity Share aggregating to ₹16,000 <sup>#</sup> million comprising of the Fresh Issue and the Offer for Sale. The offer comprises the Net Offer and Employee Reservation. <sup>#</sup> <i>Subject to finalisation of Basis of Allotment</i>
“Offer Agreement”	The agreement dated September 13, 2023, among our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer, read with the first amendment agreement to the Offer Agreement dated September 13, 2023, dated January 21, 2024.
“Offer for Sale”	The offer for sale of 4,769,475 <sup>#</sup> Equity Shares aggregating to ₹6,000 <sup>#</sup> million by the Selling Shareholders. <sup>#</sup> <i>Subject to finalisation of Basis of Allotment</i>
“Offer Price”	₹1,258 per Equity Share, being the final price at which Equity Shares will be Allotted to ASBA Bidders in terms of the Red Herring Prospectus and this Prospectus. Equity Shares were Allotted to Anchor Investors at the Anchor Investor Offer Price which was decided by our Company in consultation with the BRLMs in terms of the Red Herring

Term	Description
	<p>Prospectus and this Prospectus.</p> <p>The Offer Price was decided by our Company in consultation with the BRLMs on the Pricing Date, in accordance with the Book-Building Process and in terms of the Red Herring Prospectus and this Prospectus.</p> <p>A discount of 9.46% on the Offer Price (equivalent of ₹119 per Equity Share) was offered to Eligible Employees bidding in the Employee Reservation Portion. This Employee Discount was decided by our Company in consultation with the BRLMs.</p>
“Offered Shares”	4,769,475 <sup>#</sup> Equity Shares aggregating to ₹6,000 <sup>#</sup> million being offered for sale by the Selling Shareholders in the Offer for Sale. <i>#Subject to finalisation of Basis of Allotment</i>
“Offer Proceeds”	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders.
“Price Band”	The price band ranging from the Floor Price of ₹1,195 per Equity Share to the Cap Price of ₹1,258 per Equity Share. The Price Band and minimum Bid Lot and Employee Discount as decided by our Company, in consultation with the BRLMs was advertised in all editions of the English national daily newspaper, The Financial Express, all editions of the Hindi national daily newspaper Jansatta, and the Faridabad edition of the Hindi daily newspaper, The Satyajay Times, (Hindi also being the regional language of the state wherein our Registered Office is located) each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and was made available to the Stock Exchanges for the purpose of uploading on their respective websites.
“Pricing Date”	The date on which our Company, in consultation with the BRLMs, finalised the Offer Price i.e. February 13, 2024.
“Prospectus”	This Prospectus dated February 13, 2024, to be filed with the RoC on the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, <i>inter alia</i> , the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
“Public Offer Account”	The bank account opened with the Public Offer Account Bank under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date.
“Public Offer Account Bank”	A bank which is a clearing member and registered with SEBI as a banker to an issue, and with whom the Public Offer Account(s) was opened, in this case being HDFC Bank Limited.
“QIBs” or “Qualified Institutional Buyers”	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
“QIB Bidders”	QIBs who Bid in the Offer.
“QIB Portion”	The portion of this Offer being 75% of the Net Offer, being 9,491,256 <sup>#</sup> Equity Shares, which was available for allocation to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation was made on a discretionary basis, as determined by our Company, in consultation with the BRLMs), subject to valid Bids having been received at or above the Offer Price. <i>#Subject to finalisation of Basis of Allotment</i>
“QIB Bid/ Offer Closing Date”	The Bid/Offer Closing Date.
“Red Herring Prospectus” or “RHP”	The Red Herring Prospectus dated February 5, 2024, to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which did not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer. The Red Herring Prospectus was filed with the RoC at least three Working Days before the Bid/Offer Opening Date and became this Prospectus upon filing with the RoC on the Pricing Date.
“Refund Account”	The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to Anchor Investors shall be made.
“Refund Bank”	The Banker to the Offer with whom the Refund Account(s) were opened, in this case being Axis Bank Limited.
“Registrar Agreement”	The agreement dated September 13, 2023, entered into between our Company, the Selling Shareholders and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
“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 eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012, issued by SEBI.

<b>Term</b>	<b>Description</b>
“Registrar to the Offer” or “Registrar”	Link Intime India Private Limited
“RTAs” or “Registrar and Share Transfer Agents”	The registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
“RTA Master Circular”	SEBI master circular bearing number SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023
“Resident Indian”	A person resident in India, as defined under FEMA.
“Retail Individual Bidder(s)” or “Retail Individual Investor(s)” or ‘RII(s)’ or “RIB(s)”	Individual Bidders, who had Bid for the Equity Shares for an amount which was not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRI Bidders) and did not include NRIs (other than Eligible NRIs).
“Retail Portion”	The portion of the Offer, being 10% of the Net Offer being not more than 1,265,500 <sup>#</sup> Equity Shares, made available for allocation to Retail Individual Bidders as per the SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price, which were not less than the minimum Bid Lot subject to availability in the Retail Portion. <i>#Subject to finalisation of Basis of Allotment</i>
“Revision Form”	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s).  QIB Bidders and Non-Institutional Bidders were not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion could revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date.
“SBICAPS”	SBI Capital Markets Limited
“SCORES”	SEBI Complaint Redressal System, an online portal developed by SEBI for registration of complaints.
“Self-certified Syndicate Bank(s)” or “SCSB(s)”	The banks registered with SEBI, which offered the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount was blocked by authorising an SCSB, 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> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to Bidders using the 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=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as may be prescribed by SEBI and updated from time to time.  Applications through UPI in the Offer could be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list shall be updated on SEBI website.
“Share Escrow Agent”	The share escrow agent appointed pursuant to the Share Escrow Agreement, namely Link Intime India Private Limited.
“Share Escrow Agreement”	The agreement dated February 3, 2024, between our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees in accordance with the Basis of Allotment.
“Specified Locations”	Bidding centres where the Syndicate accepted ASBA Forms from Bidders.
“Specified Securities”	Specified securities as defined under Regulation 2(eee) of the SEBI ICDR Regulations, 2018
“Sponsor Banks”	Banks registered with SEBI which have been appointed by the issuer to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the UPI Bidders using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars., the Sponsor Banks in this case being HDFC Bank Limited and Axis Bank Limited.
“Sub-Syndicate Members”	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms.
“Syndicate Agreement”	The agreement dated February 3, 2024, between our Company, the Registrar to the

<b>Term</b>	<b>Description</b>
	Offer, the Selling Shareholders, the BRLMs and the Syndicate Members in relation to the procurement of Bid cum Application Forms by the Syndicate.
“Syndicate Members”	Syndicate members as defined under Regulation 2(1)(hhh) of the SEBI ICDR Regulations, namely, JM Financial Services Limited, Investec Capital Services (India) Private Limited, SBICAP Securities Limited and Sharekhan Limited.
“Syndicate” or “Members of the Syndicate”	The BRLMs and the Syndicate Members.
“Underwriters”	The BRLMs and the Syndicate Members.
“Underwriting Agreement”	The agreement dated February 13, 2024, between the Underwriters, our Company and the Selling Shareholders.
“UPI Bidders”	<p>Collectively, individual investors who applied as (i) Retail Individual Bidders in the Retail Portion, (ii) Non-Institutional Bidders with a Bid Amount of up to ₹500,000 in the Non-Institutional Portion and (iii) Eligible Employees Bidding under the Employee Reservation Portion, and Bidding under the UPI Mechanism through ASBA Forms(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.</p> <p>Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹500,000 using UPI Mechanism, shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).</p>
“UPI Circulars”	Collectively, 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/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, the RTA Master Circular and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022, and any subsequent circulars or notifications issued by SEBI and Stock Exchanges in this regard.
“UPI ID”	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
“UPI Mandate Request”	A request (intimating the UPI Bidder by way of a notification on the UPI application and by way of a SMS directing the UPI Bidder to such UPI application) to the UPI Bidder initiated by the Sponsor Banks to authorise 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 could be used by an UPI Bidder to make a Bid in the Offer in accordance with UPI Circulars.
“UPI PIN”	Password to authenticate UPI transaction.
“Wilful Defaulter”	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
“Working Day”	All days on which commercial banks in Mumbai, Maharashtra, are open for business; provided, however, with reference to (a) announcement of Price Band; and (b) Bid/ Offer Period, the expression “Working Day” shall mean all days on which commercial banks in Mumbai are open for business, excluding all Saturdays, Sundays or public holidays; and (c) with reference to the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, the expression ‘Working Day’ shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, in terms of the circulars issued by SEBI, including the UPI circulars.



## Technical/ Industry Related Terms/ Abbreviations

Term	Description
“AI”	Artificial intelligence
“ASM”	Additional surveillance measures
“B2B”	Business-to-business
“CAGR”	Compounded annual growth rate
“COVID-19”	Coronavirus disease
“CPC”	Code of Civil Procedure, 1908
“CRM”	Customer relationship management
“CSR”	Corporate social responsibility
“DPCO”	Drugs (Prices Control) Order, 2013
“EBITDA”	Earnings before interest, taxes, depreciation and amortization.
“ERP”	Enterprise resource planning
“EV”	Enterprise Value
“GSM”	Graded surveillance measures
“GST”	Goods and services tax
“H1N1”	Swine flu
“H5N1”	Highly pathogenic avian influenza virus A
“H7N9”	Avian influenza A
“NPPA”	National Pharmaceutical Pricing Authority
“OTC”	Over-the-counter
“PPE”	Personal protective equipment
“ROCE”	Return on capital employed
“ROE”	Return on equity
“SKUs”	Stock-keeping units
“STT”	Securities transaction tax

## Conventional and General Terms or Abbreviations

Term	Description
“Mn” or “mn”	Million.
“AGM”	Annual General Meeting.
“AIF”	An alternative investment fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
“BSE”	BSE Limited.
“Category I FPI”	FPIs registered as “Category I foreign portfolio investors” under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
“Category II FPI”	FPIs registered as “Category II foreign portfolio investors” under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
“CDSL”	Central Depository Services (India) Limited.
“CIN”	Corporate Identity Number.
“CIT”	Commissioner of Income Tax.
“Companies Act”	Companies Act, 1956 and Companies Act, 2013, as applicable.
“Companies Act, 1956”	The erstwhile Companies Act, 1956 along with the relevant rules made thereunder.
“Companies Act, 2013”	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder, as amended to the extent currently in force.
“Contract Labour Act”	The Contract Labour (Regulation and Abolition) Act, 1970.
“CSR”	Corporate Social Responsibility.
“Depositories”	NSDL and CDSL.
“Depositories Act”	The Depositories Act, 1996, read with regulations framed thereunder.
“DIN”	Director Identification Number.
“DP ID”	Depository Participant’s Identity Number.
“DP” or “Depository Participant”	A depository participant as defined under the Depositories Act.
“EGM”	Extraordinary General Meeting.
“Employees Provident Fund Act”	Employees Provident Funds and Miscellaneous Provisions Act, 1952.
“EPS”	Earnings Per Share.
“FCNR”	Foreign currency non-resident account.
“FDI”	Foreign Direct Investment.

<b>Term</b>	<b>Description</b>
“FDI Circular”	The Consolidated Foreign Direct Investment Policy bearing DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, effective from October 15, 2020, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
“FEMA”	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder.
“FEMA NDI Rules”	Foreign Exchange Management (Non-debt Instrument) Rules, 2019.
“Financial Year” or “Fiscal” or “Fiscal Year” or “FY”	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.
“FPI(s)”	Foreign portfolio investors as defined under the SEBI FPI Regulations.
“Fraudulent Borrowers”	Fraudulent borrowers as defined under regulation 2(III) of the SEBI ICDR Regulations.
“FVCI”	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations.
“Fugitive Economic Offender”	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
“GDP”	Gross domestic product.
“GoI” or “Government” or “Central Government”	The Government of India.
“GST”	Goods and services tax.
“HUF”	Hindu undivided family.
“ICAI”	The Institute of Chartered Accountants of India.
“IFRS”	International Financial Reporting Standards of the International Accounting Standards Board.
“Income Tax Act”	Income- Tax Act, 1961, read with the rules framed thereunder.
“Income Tax Rules”	Income- Tax Rules, 1962.
“Ind AS”	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013.
“Indian GAAP”	Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016.
“IPO”	Initial public offering.
“IST”	Indian Standard Time.
“MBA”	Master’s degree in business administration.
“MCA”	Ministry of Corporate Affairs, Government of India.
“N.A.” or “NA”	Not applicable.
“NAV”	Net asset value.
“NEFT”	National Electronic Fund Transfer.
“NM” or “N.M.”	Not meaningful.
“NRE Account”	Non-Resident External account.
“NRI”	A person resident outside India, who is a citizen of India or an overseas citizen of India cardholder within the meaning of section 7(A) of the Citizenship Act, 1955.
“NSDL”	National Securities Depository Limited.
“NSE”	National Stock Exchange of India Limited.
“OCB” or “Overseas Corporate Body”	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs were not allowed to invest in the Offer.
“p.a.”	Per annum.
“P/E Ratio”	Price/earnings ratio.
“PAN”	Permanent account number.
“PAT”	Profit after tax.
“RBI”	Reserve Bank of India.
“RTGS”	Real time gross settlement.
“R&D”	Research and development
“SCRA”	Securities Contracts (Regulation) Act, 1956.
“SCRR”	Securities Contracts (Regulation) Rules, 1957.
“SEBI”	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
“SEBI Act”	Securities and Exchange Board of India Act, 1992.
“SEBI AIF Regulations”	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.

<b>Term</b>	<b>Description</b>
“SEBI FPI Regulations”	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
“SEBI FVCI Regulations”	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
“SEBI ICDR Regulations”	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
“SEBI Insider Trading Regulations”	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
“SEBI Listing Regulations”	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
“SEBI Merchant Bankers Regulations”	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.
“SEBI SBEB and Sweat Equity Regulations”	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
“SEBI VCF Regulations”	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996.
“State Government”	The government of a state in India.
“Stock Exchanges”	Collectively, the BSE and NSE.
“STT”	Securities transaction tax.
“Takeover Regulations”	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
“TAN”	Tax deduction account number.
“TDS”	Tax deducted at source.
“U.S.”/ “U.S.A.”/ “United States”	The United States of America, together with its territories and possessions, any state of the United States of America and the District of Columbia.
“U.S. GAAP”	Generally accepted accounting principles of the United States of America.
“U.S. Securities Act”	U.S. Securities Act of 1933, as amended.
“VAT”	Value added tax.
“VCFs”	Venture capital funds as defined in and registered with SEBI under SEBI VCF Regulations.
“Wilful Defaulters”	Wilful defaulters as defined under regulation 2(III) of the SEBI ICDR Regulations
“Year”/ “Calendar Year”	The 12 month period ending December 31.

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

### Certain Conventions

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

All references herein to the “U.S.”, “U.S.A.”, or the “United States” are to the United States of America and its territories and possessions.

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

### Currency and Units of Presentation

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

### Exchange Rates

This Prospectus contains conversions of certain other currency amounts into Rupees that have been presented solely to comply with the requirements of SEBI ICDR Regulations. Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Rupee amounts, are as follows:

(in ₹)

Currency	Exchange rate as on				
	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
1 US\$	83.06	81.55	82.22	75.81	73.50

Source: Foreign exchange reference rates as available on [www.fbi.org.in](http://www.fbi.org.in)

Note: Exchange rate is rounded off to two decimal point

Such conversion should not be considered as a representation that such currency amounts have been, could have been or can be converted into Rupees at any particular rate, the rates stated above or at all.

### Time

Unless otherwise specified, all references to time in this Prospectus are to Indian Standard Time. Unless indicated otherwise, all references to a year in this Prospectus are to a calendar year.

### Financial and Other Data

Unless stated or the context requires otherwise, the financial information in this Prospectus is derived from our Restated Consolidated Financial Information. Certain financial information has also been derived from the Pro Forma Financial Information.

The Restated Consolidated Financial Information of our Company and its subsidiaries (collectively referred to as Group) comprises of the restated consolidated statement of assets and liabilities as at September 30, 2023, September 30, 2022, March 31, 2023, March 31, 2022, and March 31, 2021, the restated consolidated statement of profit and loss (including other comprehensive income) for the six months ended September 30, 2023 and September 30, 2022, and the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021, the restated consolidated statement of cash flows, the restated consolidated statement of changes in equity for the six months ended September 30, 2023 and September 30, 2022, and the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021, the summary statement of significant accounting policies, and other explanatory information prepared in terms of the requirements of Section 26 of Part I of Chapter III of Companies Act, SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)”, as amended issued by ICAI.

For further information on our Company's financial information, see "*Financial Information*" beginning on page 279.

The pro forma financial information consists of the pro forma consolidated balance sheet as at September 30, 2023, and March 31, 2023, pro forma consolidated statement of profit and loss for the six months ended September 30, 2023 and for the year ended March 31, 2023 and related notes for inclusion in this Prospectus by the Company. The applicable criteria, on the basis of which the management has compiled the pro forma financial information of pro forma consolidated balance sheet as at September 30, 2023 and March 31, 2023, pro forma consolidated statement of profit and loss for the six months ended September 30, 2023 and for the year ended March 31, 2023, and related notes thereto, as required by clause 11(I)(B)(iii) of the SEBI ICDR Regulations, as required by the management, are specified in the "Basis of preparation" paragraph as described in Note 2 to the pro forma financial information. The pro forma financial information has been compiled by the Company's management to illustrate the impact of the acquisitions set out in the "Acquisition Details" paragraph as described in Note 3 to the pro forma financial information, on the Company's financial position as at September 30, 2023, and March 31, 2023, as if the acquisitions had taken place as at April 1, 2022. For further details, see "*Pro Forma Financial Information*" on page 397; "*History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations or any revaluation of assets, in the last ten years*" on page 213; and "*Risk Factors - The Pro Forma Financial Information included in this Prospectus is not indicative of our future financial condition or results of operations and may also not be indicative of our actual results of operations*" on page 60.

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

Our Company's fiscal year commences on April 1 of each year and ends on March 31 of the next year. Accordingly, all references to a particular fiscal year (referred to herein as "**Fiscal**", "**Fiscal Year**" or "**FY**") are to the 12 months period ended March 31 of that particular year, unless otherwise specified.

All the figures in this Prospectus have been presented in million or in whole numbers where the numbers have been too small to present in million unless stated otherwise. One million represents 1,000,000 and one billion represents 1,000,000,000. Certain figures contained in this Prospectus, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. However, figures sourced from third-party industry sources may be expressed in denominations other than million or may be rounded off to other than two decimal points to confirm to their respective sources.

Unless the context otherwise indicates, any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 39, 180, and 429 respectively, and elsewhere in this Prospectus have been calculated on the basis of amounts derived from the Restated Consolidated Financial Information.

#### *Non-GAAP Financial Measures*

This Prospectus contains certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like restated earnings per Equity Share (basic and diluted), EBITDA, Adjusted EBITDA, net worth of the company (including non-controlling interest), return on net worth, Net Asset Value per Equity Share, and certain other statistical information relating to our operations and financial performance that are not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP (together, "**Non-GAAP Measures**"). These Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in

isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ periods or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. We compute and disclose such non-Indian GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These Non-GAAP Measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

### **Industry and Market Data**

Unless stated otherwise, the industry and market data used in this Prospectus has been obtained or derived from the report titled “Assessment of the pharmaceutical and pharmaceutical delivery industry in India” dated November 2023 prepared by CRISIL (“**CRISIL Report**”), which is exclusively prepared for the purpose of the Offer and publicly available information as well as other industry publications and sources. CRISIL is an independent agency which has no relationship with our Company, our Promoters, any of our Directors or Key Managerial Personnel or Senior Management or the BRLMs, and was appointed by the Company pursuant to an engagement letter dated June 28, 2023. For risks in relation to commissioned reports, see “*Risk Factors – This Prospectus contains information from third parties and from the CRISIL Report prepared by CRISIL, which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.*” on page 64.

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. 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 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 39.

In accordance with the SEBI ICDR Regulations, the section “*Basis for the Offer Price*” on page 131 includes information relating to our peer group. Such information has been derived from publicly available sources. Accordingly, no investment decision should be made solely on the basis of such information.

This Prospectus contains certain data and statistics from the CRISIL Report, which is available on the website of our Company at <https://www.enterohealthcare.com/uat/> and is subject to the following disclaimer:

*“CRISIL Market Intelligence & Analytics (“CRISIL MI&A”), a division of CRISIL Limited (“CRISIL”) has taken due care and caution in preparing this report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services*

*in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. Entero Healthcare Solutions Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL MI&A operates independently of, and does not have access to information obtained by CRISIL Ratings Limited, which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL MI&A and not of CRISIL Ratings Limited. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval.”*

## FORWARD-LOOKING STATEMENTS

This Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “can”, “could”, “continue”, “expect”, “estimate”, “goal”, “intend”, “may”, “likely”, “objective”, “plan”, “purpose”, “project”, “should”, “will”, “will continue”, “will achieve”, “shall”, “seek to”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying 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. For the reasons described below, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Therefore, 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.

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 and Subsidiaries have businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India 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, changes in laws, regulations and taxes and changes in competition in our industry. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Since our inception, we have completed a number of acquisitions of distributors in India to expand our business and increase our customer base, and may continue to complete more acquisitions in the future. However, we may be unable to realize the anticipated benefits of past or future acquisitions successfully. Further, if we are unable to identify expansion opportunities or experience delays or other problems in implementing our strategy of inorganic growth, our business, financial condition, results of operations, cash flows and prospects may be adversely affected.
- We have experienced negative cash flows from operating, investing and financing activities in the past and may continue to do so in the future.
- Return of our products by customers, arising from the distribution of expired, unsafe, defective, ineffective or counterfeit products, and product spoilage, breakage and damage during transportation or in storage, subjecting us to product liability claims.
- Restrictive covenants imposed by lenders on us under our financing arrangements may adversely affect our ability to conduct our business and impair our future growth plans.
- Our operations are subject to high working capital requirements, and have incurred substantial indebtedness. Our inability to maintain an optimal level of working capital or financing required may impact our operations adversely.
- We have experienced losses in the Financial Years 2021, 2022 and 2023, and the six months ended September 30, 2022.
- Equity shares of certain of our Subsidiaries are pledged in favour of certain lenders and if events of default arise under the financing agreements, such lenders could invoke the relevant share pledge agreements, adversely affecting our business, results of operations, cash flows and prospects.
- Our private label business may not be successful.



For a discussion of factors that could cause our actual results to differ from our expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 39, 180, and 429, 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 and are not a guarantee of future performance.

Forward-looking statements reflect our views as of the date of this Prospectus and are not a guarantee of future performance. There can be no assurance to 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 to be a guarantee of our future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on the 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. None of our Company, Directors, the Selling Shareholders, and the BRLMs or 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 will ensure that investors in India are informed of material developments from the date of filing of this Prospectus until the date of Allotment. The Selling Shareholders shall, severally and not jointly, ensure that the Company is informed of material developments in relation to the statements and undertakings specifically undertaken or confirmed by it in relation to itself and its respective portion of the Offered Shares in this Prospectus until the date of Allotment.

## SUMMARY OF THE OFFER DOCUMENT

This section is a general summary of certain disclosures and terms of the Offer included in this Prospectus and is neither exhaustive, nor purports to contain a summary of all the disclosures in this Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including “Risk Factors”, “The Offer”, “Capital Structure”, “Objects of the Offer”, “Industry Overview”, “Our Business”, “Financial Information”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Outstanding Litigation and Material Developments”, “Offer Procedure” and “Main Provisions of the Articles of Association” on pages 39, 72, 93, 116, 145, 180, 279, 429, 475, 514, and 535, respectively.

### Summary of the primary business of the Company

Our primary line of business is in the distribution of healthcare products to retail pharmacies, hospitals and healthcare clinics in India. We add value to the healthcare product manufacturers that work with us by providing them reach and accessibility to pharmacies, hospitals and clinics through our integrated and technology driven, pan-India healthcare products distribution platform. As of September 30, 2023, our 77 warehouses located across the country, last-mile delivery infrastructure and relationships with pharmacies, hospitals and clinics enables healthcare product manufacturers to make their products available to a wide range of customers.

### Summary of the industry in which the Company operates

The target addressable market for pharmaceutical distributors in India is valued at ₹2.7 trillion in the Financial Year 2023 and is expected to grow at 10% to 11% CAGR from the Financial Year 2023 to the Financial Year 2028. The distribution of pharmaceutical products in India is extremely fragmented with approximately 65,000 distributors, as of March 31, 2023, that generally service limited local areas only, unlike developed markets where large nationwide distributors occupy a dominant market position. In the Indian pharmaceutical distribution market, traditional local distributors have a 90-92% market share while large/national distributors have a 8-10% market share. (Source: CRISIL Report)

### Offer Size

Offer of Equity Shares	12,725,244 <sup>#</sup> Equity Shares aggregating to ₹16,000 <sup>#</sup> million
Of which:	
Fresh Issue <sup>(1)</sup>	7,955,769 Equity Shares aggregating to ₹ 10,000 <sup>#</sup> million
Offer for Sale <sup>(2)</sup>	4,769,475 <sup>#</sup> Equity Shares aggregating to ₹6,000 <sup>#</sup> million
The Offer comprises:	
Employee Reservation Portion	70,237 <sup>#</sup> Equity Shares aggregating to ₹ 80 <sup>#</sup> million
Net Offer	12,655,007 <sup>#</sup> Equity Shares aggregating to ₹15,920 <sup>#</sup> million

<sup>#</sup>Subject to finalisation of Basis of Allotment

<sup>(1)</sup> The Offer has been authorised pursuant to the resolutions dated August 25, 2023 and September 7, 2023, passed by the Board and the Fresh Issue has been authorised pursuant to the resolution dated September 7, 2023, passed by the Shareholders.

<sup>(2)</sup> Each Selling Shareholder, severally and not jointly, specifically confirms and undertakes that its portion of the Offered Shares and where applicable, such CCPS that have been converted into its respective portion of the Offered Shares, have been held by such Selling Shareholder for a continuous period of at least one year prior to the filing of the Draft Red Herring Prospectus in terms of Regulation 8 of the SEBI ICDR Regulations. For details on the authorization by the Selling Shareholders in relation to the Offered Shares, see “The Offer” on page 72.

### Objects of the Offer

The following table sets forth details of the Net Proceeds:

Particulars	Estimated Amount (in ₹ million)
Gross proceeds of the Fresh Issue	10,000.00
(Less) Offer related expenses to be borne by our Company <sup>(1)</sup>	488.00
Net proceeds from the Fresh Issue after deducting the Offer related expenses to be borne by our Company (“Net Proceeds”)	9,512.00

1. For details with respect to sharing of fees and expenses amongst our Company and the Selling Shareholders, please refer to the heading “Objects of the Offer - Offer Related Expenses” at page 127.

The objects for which the Net Proceeds from the Offer shall be utilized are as follows:

Particulars	Estimated Amount (in ₹ million)
Repayment/prepayment, in full or part, of certain borrowings availed of by our Company	1,425.00
Funding of long-term working capital requirements of the Company and its Subsidiaries during Fiscals 2025 and 2026	4,800.00
General corporate purposes*	917.00
Pursuing inorganic growth initiatives through acquisitions*	2,370.00
<b>Net Proceeds</b>	<b>9,512.00</b>

\*The amount to be utilised for general corporate purposes and inorganic growth initiatives does not individually exceed 25% of the Gross Proceeds respectively, and does not exceed 35% collectively of the Gross Proceeds from the Fresh Issue, in accordance with Regulation 7(3) of the SEBI ICDR Regulations.

### Names of the Promoters

Our Promoters are Prabhat Agrawal, Prem Sethi, and OrbiMed Asia III Mauritius Limited. For further details, see “Our Promoters and Promoter Group” on page 273.

### Aggregate pre-Offer shareholding of our Promoters, members of our Promoter Group and Selling Shareholders

- (a) The aggregate pre-Offer and post-Offer shareholding of our Promoters as a percentage of the pre-Offer and post-Offer paid-up share capital of the Company is set out below:

Name of shareholder	Pre-Offer		Post-Offer <sup>#</sup>	
	No. of Equity Shares	Percentage of pre-Offer capital	No. of Equity Shares <sup>#</sup>	Percentage of post-Offer capital <sup>#</sup>
<b>Our Promoters</b>				
1. Prabhat Agrawal	4,498,605	12.66%	4,028,395	9.26%
2. Prem Sethi	2,553,314	7.18%	2,239,842	5.15%
3. OrbiMed Asia III Mauritius Limited	20,354,509	57.27%	16,538,929	38.02%
<b>Total</b>	<b>27,406,428</b>	<b>77.11%</b>	<b>22,807,166</b>	<b>52.43</b>

<sup>#</sup> Subject to finalisation of Basis of Allotment.

- (b) None of the members of our Promoter Group hold any Equity Shares as on the date of this Prospectus.
- (c) The aggregate pre-Offer and post-Offer shareholding of the Selling Shareholders as a percentage of the pre-Offer and post-Offer paid-up share capital of the Company is set out below:

Name of shareholder	Pre-Offer		Post-Offer <sup>#</sup>	
	No. of Equity Shares	Percentage of pre-Offer capital	No. of Equity Shares <sup>#</sup>	Percentage of post-Offer capital <sup>#</sup>
<b>Selling Shareholders</b>				
1. Prabhat Agrawal	4,498,605	12.66%	40,28,395	9.26%
2. Prem Sethi	2,553,314	7.18%	22,39,842	5.15%
3. OrbiMed Asia III Mauritius Limited	20,354,509	57.27%	1,65,38,929	38.02%
4. Chethan M.P.	25,096	0.07%	20,695	0.05%
5. Deepesh T. Gala	8,387	0.02%	7,067	0.02%
6. Hemant Jose Barros	52,360	0.15%	43,558	0.10%
7. Hemant Jaggi	27,957	0.08%	23,556	0.05%
8. K.R.V.S. Varaprasad	13,978	0.04%	11,777	0.03%
9. K.E. Prakash	228,258	0.64%	1,88,648	0.43%
10. Lavu Sahadev	8,387	0.02%	7,067	0.02%
11. Manoj K Sanghani	76,882	0.22%	64,779	0.15%
12. Millennium Medicare	55,927	0.16%	47,125	0.11%

Name of shareholder	Pre-Offer		Post-Offer <sup>#</sup>		
	No. of Equity Shares	Percentage of pre-Offer capital	No. of Equity Shares <sup>#</sup>	Percentage of post-Offer capital <sup>#</sup>	
<b>Selling Shareholders</b>					
	Private Limited				
13.	K. Naveen Kumar Gupta	13,982	0.04%	11,781	0.03%
14.	Novacare Drug Specialities Private Limited	268,383	0.76%	2,26,133	0.52%
15.	Petros Diamantides	95,733	0.27%	80,659	0.19%
16.	Prashanth Ravindrakumar	83,871	0.24%	70,668	0.16%
17.	Suraj Prakash Atreja	6,559	0.02%	5,457	0.01%
18.	Venkata Ramana Siva Kumar Yanamadala	8,387	0.02%	7,067	0.02%
19.	Vikramaditya Ambre	76,882	0.22%	64,779	0.15%
	<b>Total</b>	<b>28,457,457</b>	<b>80.06%</b>	<b>2,36,87,982</b>	<b>54.46%</b>

<sup>#</sup> Subject to finalisation of Basis of Allotment.

Except as disclosed in this Prospectus, including in the sections titled “Promoter and Promoter Group” and “Our Management” on pages 273 and 250, the Selling Shareholders are not, directly or indirectly, related in any manner with the Promoters, the Promoter Group, the Key Managerial Personnel, the Directors and the Senior Management of the Company or their relatives, or with its Subsidiaries and Group Companies.

### Summary of Restated Consolidated Financial Information

The details of certain financial information as set out under the SEBI ICDR Regulations as of and for the six months ended September 30, 2023, and September 30, 2022, and the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021 derived from the Restated Consolidated Financial Information are as follows:

(₹ in million, except per share data)

Particulars	As of and for the six months ended September 30, 2023	As of and for the six months ended September 30, 2022	As of and for the Financial Year ended March 31		
			2023	2022	2021
(A) Share capital	160.67	41.12	41.12	38.50	1.00
(B) Net Worth (Total Equity)	6,605.48	5,946.69	5,976.61	5,632.16	4,870.60
(C) Revenue	18,955.01	15,839.68	33,002.07	25,220.65	17,797.37
(D) PAT	116.42	(108.57)	(111.04)	(294.39)	(153.54)
(E) Earnings per Share (basic, in ₹)^	2.95	(3.04)	(3.10)	(9.22)	(5.29)
(F) Earnings per Share (diluted, in ₹)^	2.95	(3.04)	(3.10)	(9.22)	(5.29)
(G) Net Asset Value per Equity Share^	166.90	156.90	157.08	155.42	165.17
(H) Total borrowings*	4,886.76	3,675.07	3,735.15	2,850.28	1,417.03

\*Excluding current maturities of long-term borrowings

^For details of our basic and diluted earnings per share and net asset value per Equity Share, updated on account of conversion of CCPS of our Company on January 27, 2024, see “Basis for Offer Price” on page 131.

For further details, see “Financial Information – Restated Consolidated Financial Information” on page 279.

**Material operational key performance indicators of the Company as at/for the six months ended September 30, 2023, and September 30, 2022, and the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021:**

Operational KPIs	Unit	Six months ended September 30, 2023	Six months ended September 30, 2022	Fiscal 2023	Fiscal 2022	Fiscal 2021
Customers (Retail) <sup>(1)</sup>	(Number)	73,700+	65,000+	81,400+	64,200+	39,500+

Operational KPIs	Unit	Six months ended September 30, 2023	Six months ended September 30, 2022	Fiscal 2023	Fiscal 2022	Fiscal 2021
Customers (Hospital) <sup>(2)</sup>	(Number)	2,800+	2,400+	3,400+	2,500+	1,600+
SKUs handled <sup>(3)</sup>	(Number)	63,900+	59,000+	64,500+	56,500+	44,400+
Pharmaceutical and healthcare companies whose products have been billed <sup>(4)</sup>	(Number)	1,900+	1,700+	1,900+	1,700+	1,100+
Districts covered <sup>(5)</sup>	(Number)	501	471	495	463	420
Warehouses <sup>(6)</sup>	(Number)	77	71	74	60	44
Employees <sup>(7)</sup>	(Number)	3,181	3,018	3,041	2,875	2,141
Average Sales per Month per Customer <sup>(8)</sup>	(₹)	37,532	36,889	30,143	29,213	32,801

Notes:

1. Customers (Retail) refer to the number of “trade”, “retail” or “healthcare practitioners” customers with one or more billed invoice during the period.
2. Customers (Hospital) refer to the number of “hospitals” or “nursing homes” customers with one or more billed invoice during the period.
3. SKUs handled refer to the number of unique SKUs that have been billed by us during the period. Examples of SKUs include pharmaceutical SKUs, fast moving consumer goods SKUs and surgicals / consumables SKUs.
4. Pharmaceutical and healthcare companies whose products have been billed refers to the number of pharmaceutical and healthcare companies whose products were billed by us during the period.
5. Districts refer to the number of districts where one or more customers have been billed during the period. Districts are mapped based on the pincode mentioned in the customer’s address field.
6. Warehouses refer to the number of active warehouses (with a unique drug license) with one or more products billed from that warehouse.
7. Employees refer to the number of employees that are on our Company or our Subsidiaries’ payroll as on the last date of the respective Fiscal/period.
8. Average Sales per Month per customer refers to the Restated revenue from operations for the year or the six months period divided by 12 or 6 respectively and total number of customers.

For further details in relation to our operational key performance indicators, see “Basis for Offer Price – Key Performance Indicators” on page 133.

### Pro Forma Financial Information

The pro forma financial information consists of the pro forma consolidated balance sheet as at September 30, 2023, and March 31, 2023, pro forma consolidated statement of profit and loss for the six months ended September 30, 2023 and for the year ended March 31, 2023 and related notes for inclusion in this Prospectus by the Company. The applicable criteria, on the basis of which the management has compiled the pro forma financial information of pro forma consolidated balance sheet as at September 30, 2023 and March 31, 2023, pro forma consolidated statement of profit and loss for the six months ended September 30, 2023 and for the year ended March 31, 2023, and related notes thereto, as required by clause 11(I)(B)(iii) of the SEBI ICDR Regulations, as required by the management, are specified in the “Basis of preparation” paragraph as described in Note 2 to the pro forma financial information. The pro forma financial information has been compiled by the Company’s management to illustrate the impact of the acquisitions set out in the “Acquisition Details” paragraph as described in Note 3 to the pro forma financial information, on the Company’s financial position as at September 30, 2023, and March 31, 2023, as if the acquisitions had taken place as at April 1, 2022. For further details, see “Pro Forma Financial Information” on page 397; “History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations or any revaluation of assets, in the last ten years ” on page 213; and “Risk Factors - The Pro Forma Financial Information included in this Prospectus is not

indicative of our future financial condition or results of operations and may also not be indicative of our actual results of operations” on page 60.

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

There are no qualifications by the Statutory Auditors which require any adjustments in the Restated Consolidated Financial Information.

### Summary of Outstanding Litigation

A summary of outstanding litigation proceedings involving our Company, Subsidiaries, Directors and Promoters, as of the date of this Prospectus, as also disclosed in “*Outstanding Litigation and Material Developments*” on page 475, in terms of the SEBI ICDR Regulations and the materiality policy adopted by our Board pursuant to a resolution dated September 7, 2023, is provided below:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters	Material civil litigations	Aggregate amount involved* (₹ in million)
<b>Company</b>						
By the Company	34	Nil	N.A.	N.A.	Nil	24.10
Against the Company	1	1	3	N.A.	Nil	0.67
<b>Directors</b>						
By the Directors	Nil	Nil	N.A.	N.A.	1	N.A.
Against the Directors	1	2	Nil	N.A.	Nil	4.89
<b>Promoters<sup>§</sup></b>						
By the Promoters	Nil	Nil	N.A.	N.A.	Nil	N.A.
Against the Promoters	1	2	Nil	Nil	Nil	4.89
<b>Subsidiaries</b>						
By the Subsidiary	69	Nil	N.A.	N.A.	Nil	54.09
Against the Subsidiary	1	7	3	N.A.	1	16.34

\*To the extent quantifiable.

<sup>§</sup>As on the date of this Prospectus, outstanding litigation involving our Promoters also reflect outstanding litigation involving our Directors as our Individual Promoters are also Directors of the Company

None of our Group Companies are currently party to any pending litigations which would have a material impact on our Company.

For further details, see “*Outstanding Litigation and Material Developments*” on page 475.

### Risk Factors

A summary of the top ten risks applicable to us are provided below:

Risk Factor No.	Risk Category	Description of Risk
1	Operational	Since our inception, we have completed a number of acquisitions of distributors in India to expand our business and increase our customer base, and may continue to complete more acquisitions in the future. However, we

		may be unable to realize the anticipated benefits of past or future acquisitions successfully. Further, if we are unable to identify expansion opportunities or experience delays or other problems in implementing our strategy of inorganic growth, our business, financial condition, results of operations, cash flows and prospects may be adversely affected.
2	Financial	We have experienced negative cash flows from operating, investing and financing activities in the past and may continue to do so in the future.
3	Operational	We may incur losses and our reputation may be adversely affected by the return of our products by customers, arising from the distribution of expired, unsafe, defective, ineffective or counterfeit products, and product spoilage, breakage and damage during transportation or in storage. We may also be subject to product liability claims.
4	Operational	Our lenders have imposed certain restrictive conditions on us under our financing arrangements, which may adversely affect our ability to conduct our business and impair our future growth plans.
5	Operational	Our operations are subject to high working capital requirements, and have incurred substantial indebtedness. Our inability to maintain an optimal level of working capital or financing required may impact our operations and profitability adversely.
6	Financial	We have experienced losses in the Financial Years 2021, 2022 and 2023, and the six months ended September 30, 2022.
7	Operational	We have pledged equity shares of certain of our Subsidiaries in favor of certain lenders and if events of default arise under the financing agreements, such lenders could invoke the relevant share pledge agreements, adversely affecting our business, results of operations, cash flows and prospects.
8	Operational	Our private label business may not be successful.
9	Risk relating to the Offer	The Price Band, Offer Price, market capitalization to total revenue, total assets and EBITDA/EV based on the Offer Price of our Company, may not be indicative of the market price of our Company on listing or thereafter.
10	Risk related to the Offer	Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised by any bank or financial institution or any other independent agency, and may be subject to change based on various factors, some of which are beyond our control.

For further details of the risks applicable to us, see “*Risk Factors*” on page 39.

### Summary of Contingent Liabilities

The following is a summary table of our contingent liabilities and commitments as on September 30, 2023, as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets, derived from the Restated Consolidated Financial Information:

<i>(₹ in million)</i>	
Particulars	As of September 30, 2023
Claims not acknowledged as debts:	
(i) Income tax	2.07
(ii) Indirect tax	0.77
Bank guarantees	0.12
<b>Total</b>	<b>2.96</b>

For further details of our contingent liabilities, see “*Restated Consolidated Financial Information – Note 45: Contingent Liabilities & Commitments*” on page 344.

***[Remainder of this page intentionally left blank]***

## Summary of Related Party Transactions

The details of related party transactions entered into by our Company for the six months ended September 30, 2023, and September 30, 2022, and the financial years ended March 31, 2023, 2022 and 2021, as per Ind AS 24 – Related Party Disclosures read with SEBI ICDR Regulations are as set out in the table below:

### Details of related party transactions:

(₹ in million, other than percentages)

Nature of Transaction	Name of the related party	For the six months ended September 30, 2023	For the six months ended September 30, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021	For the six months ended September 30, 2023	For the six months ended September 30, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchase of Stock in trade (as % of stock-in-trade)	Medmate Pharma Private Limited (formerly known as Getwell Enterprises Private Limited)	-	-	-	-	4.45	-	-	-	-	0.03%
Remuneration Paid (as % of employee benefits expense)	Prabhat Agrawal	15.80	13.14	34.53	31.20	28.78	2.15%	2.00%	2.69%	2.72%	3.79%
	Prem Sethi	8.61	7.49	19.10	15.78	12.88	1.17%	1.14%	1.49%	1.37%	1.70%
	Jayant Prakash	2.35	1.90	4.13	1.58	-	0.32%	0.29%	0.32%	0.14%	-
	CV Ram	7.69	-	3.60 <sup>^</sup>	-	-	1.05%	-	0.28% <sup>^</sup>	-	-
Consultancy (as % of other expenses)	Getwell Pharmaceuticals	-	-	-	2.40	2.40	-	-	-	0.34%	0.54%
Directors' Sitting Fees (as % of other expenses)	Sandhya Gadkari Sharma	0.18	-	-	-	-	0.04%	-	-	-	-
	Rajesh Shashikant Dalal	0.23	-	-	-	-	0.05%	-	-	-	-
	Sujesh Vasudevan	0.23	-	-	-	-	0.05%	-	-	-	-

<sup>^</sup>Includes remuneration paid from January 31, 2023, till March 31, 2023.



**Details of balances outstanding for related party transactions:**

(₹ in million, other than percentages)

Nature of Transaction	Name of the related party	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Loans & Advances Given (as % of total assets)	Novacare Drug Specialities Private Limited	-	-	-	5.20	5.20	-	-	-	0.05%	0.06%
Other Current Liabilities (as % of total liabilities)	Novacare Drug Specialities Private Limited	-	-	-	-	0.02	-	-	-	-	0.00%

**Key management personnel compensation:**

(₹ in million, other than percentages)

Particulars	For the six months ended September 30, 2023	As at September 30, 2022	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the six months ended September 30, 2023	As at September 30, 2022	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<u>Director Remuneration:</u>										
Salaries and Allowances (as a % of employee benefits expense)	34.45	22.53	61.36	48.56	41.66	4.70%	3.43%	4.79%	4.23%	5.49%
Directors' Sitting Fees (as % of other expenses)	0.63	-	-	-	-	0.15%	-	-	-	-

**Notes:**

1. Key managerial personnel who are under the employment of the Group are entitled to post-employment benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are amounts provided on the basis of actuarial valuation, the same is not included above. Gratuity has been computed for the group as a whole and hence excluded.
2. The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

For details of the related party transactions, see "Financial Information – Restated Consolidated Financial Information – Note 50: Information of related party transactions as required by Ind AS 24 - Related Party Disclosures" on page 349.

## Financing Arrangements

Our Promoters, members of our Promoter Group, Directors of our Corporate Promoter, our Directors and their relatives have not financed the purchase by any person of securities of our Company during the period of six months immediately preceding the date of the Red Herring Prospectus and this Prospectus.

### Weighted average price at which the specified securities were acquired by our Promoters and the Selling Shareholders in the one year preceding the date of this Prospectus

The weighted average price at which the Equity Shares were acquired by the Promoters, in the last one year preceding the date of this Prospectus is as follows:

Name of the Promoter	Number of Equity Shares acquired in last one year	Weighted average price of acquisition per Equity Share (in ₹)*#
Prabhat Agrawal	1,764,849	15.22
Prem Sethi	1,175,757	14.94
OrbiMed Asia III Mauritius Limited	20,354,402	249.26

\*As certified by N B T & Co, Chartered Accountants (Firm Registration Number: 140489W), pursuant to their certificate dated February 13, 2024.

#For arriving on the weighted average price at which the Equity Shares of the Company were acquired by the Promoters, only acquisition of Equity Shares has been considered while arriving at weighted average price per Equity Share for the last one year.

The weighted average price at which the Equity Shares were acquired by the Selling Shareholders (other than Promoters), in the last one year preceding the date of this Prospectus is as follows:

Name of the Selling Shareholder	Number of Equity Shares acquired in last one year	Weighted average price of acquisition per Equity Share (in ₹)*#
Chethan M.P.	25,096	238.69
Deepesh T. Gala	8,387	245.90
Hemant Jose Barros	52,360	245.90
Hemant Jaggi	27,957	245.90
K.R.V.S. Varaprasad	13,978	245.91
K.E. Prakash	228,258	240.53
Lavu Sahadev	8,387	245.90
Manoj K Sanghani	76,882	245.90
Millennium Medicare Private Limited	55,927	245.94
K. Naveen Kumar Gupta	13,982	245.94
Novacare Drug Specialities Private Limited	268,383	245.90
Petros Diamantides	95,733	245.94
Prashanth Ravindrakumar	83,871	245.90
Suraj Prakash Atreja	6,559	245.92
Venkata Ramana Siva Kumar Yanamadala	8,387	245.90
Vikramaditya Ambre	76,882	245.90

\*As certified by N B T & Co, Chartered Accountants (Firm Registration Number: 140489W), pursuant to their certificate dated February 13, 2024.

#For arriving on the weighted average price at which the Equity Shares of the Company were acquired by the Selling Shareholders, only acquisition of Equity Shares has been considered while arriving at weighted average price per Equity Share for last one year.

### Average cost of acquisition of Equity Shares for our Promoters and the Selling Shareholders

The average cost of acquisition of Equity Shares for our Promoters as at the date of this Prospectus is as set out below:

Name of Promoters	Number of Equity Shares held	Average cost of acquisition per Equity Share (₹)*
Prabhat Agrawal	4,498,605	12.05
Prem Sethi	2,553,314	12.28

Name of Promoters	Number of Equity Shares held	Average cost of acquisition per Equity Share (₹)*
OrbiMed Asia III Mauritius Limited	20,354,509	249.25

\*As certified by N B T & Co, Chartered Accountants (Firm Registration Number: 140489W), pursuant to their certificate dated February 13, 2024.

The average cost of acquisition of Equity Shares for the Selling Shareholders (other than the Promoters) as at the date of this Prospectus is as set out below:

Name of the Selling Shareholders	Number of Equity Shares held	Average cost of acquisition per Equity Share (in ₹)*
Chethan M.P.	25,096	238.69
Deepesh T. Gala	8,387	245.90
Hemant Jose Barros	52,360	245.90
Hemant Jaggi	27,957	245.90
K.R.V.S. Varaprasad	13,978	245.91
K.E. Prakash	228,258	240.53
Lavu Sahadev	8,387	245.90
Manoj K Sanghani	76,882	245.90
Millennium Medicare Private Limited	55,927	245.94
K. Naveen Kumar Gupta	13,982	245.94
Novacare Drug Specialities Private Limited	268,383	245.90
Petros Diamantides	95,733	245.94
Prashanth Ravindrakumar	83,871	245.90
Suraj Prakash Atreja	6,559	245.92
Venkata Ramana Siva Kumar Yanamadala	8,387	245.90
Vikramaditya Ambre	76,882	245.90

\*As certified by N B T & Co, Chartered Accountants (Firm Registration Number: 140489W), pursuant to their certificate dated February 13, 2024.

**Details of price at which specified securities were acquired by our Promoters, the members of the Promoter Group, the Selling Shareholders, and Shareholders with rights to nominate directors or have other rights, in the last three years preceding the date of this Prospectus<sup>^</sup>**

Except as stated below, there have been no specified securities that were acquired in the last three years preceding the date of this Prospectus, by our Promoters, Promoter Group, Selling Shareholders and the other Shareholders having the right to nominate directors or other rights in our Company. The details of the prices at which these acquisitions were undertaken are stated below:

Name of Acquirer/shareholder	Category of Acquirer/shareholder	Date of Acquisition	Number of Equity Shares acquired	Acquisition price per Equity Share (in ₹) <sup>^^</sup>	Nature of Transaction
Prabhat Agrawal*	Promoter	November 9, 2021	25,00,000	10.00	Private Placement
		September 12, 2022	1,73,756	10.00	Rights Issue
		July 12, 2023	8,145	10.00	Conversion of CCPS
		January 27, 2024	1,736,845	10.70	Conversion of CCPS
		January 27, 2024	10,709	412.60	Conversion of CCPS
		January 27, 2024	9,150	412.61	Conversion of CCPS
Prem Sethi*	Promoter	November 9, 2021	12,50,000	10.00	Private Placement
		September 12, 2022	87,557	10.00	Rights Issue

		July 12, 2023	5,430	10.00	Conversion of CCPS
		January 27, 2024	1,157,896	10.70	Conversion of CCPS
		January 27, 2024	7,139	412.62	Conversion of CCPS
		January 27, 2024	5,292	412.65	Conversion of CCPS
OrbiMed Asia III Mauritius Limited*	Promoter	September 12, 2022	7	10.00	Right Issue
		July 12, 2023	85,43,198	10.00	Conversion of CCPS
		January 27, 2024	10,954,617	423.07	Conversion of CCPS
		January 27, 2024	856,587	412.61	Conversion of CCPS
Chethan M.P.	Selling Shareholder	July 12, 2023	10,840	10.00	Conversion of CCPS
		January 27, 2024	14,253	412.60	Conversion of CCPS
		January 27, 2024	3	350.00 <sup>#</sup>	Conversion of CCPS
Deepesh T. Gala	Selling Shareholder	July 12, 2023	3,473	10.00	Conversion of CCPS
		January 27, 2024	4,566	412.61	Conversion of CCPS
		January 27, 2024	348	412.87	Conversion of CCPS
Hemant Jose Barros	Selling Shareholder	July 12, 2023	21,681	10.00	Conversion of CCPS
		January 27, 2024	28,505	412.61	Conversion of CCPS
		January 27, 2024	2,174	412.59	Conversion of CCPS
Hemant Jaggi	Selling Shareholder	July 12, 2023	11,576	10.00	Conversion of CCPS
		January 27, 2024	15,220	412.61	Conversion of CCPS
		January 27, 2024	1,161	412.50	Conversion of CCPS
K.R.V.S. Varaprasad	Selling Shareholder	July 12, 2023	5,788	10.00	Conversion of CCPS
		January 27, 2024	7,610	412.61	Conversion of CCPS
		January 27, 2024	580	412.84	Conversion of CCPS
K.E. Prakash	Selling Shareholder	July 12, 2023	97,563	10.00	Conversion of CCPS
		January 27, 2024	128,272	412.61	Conversion of CCPS
		January 27, 2024	2,423	412.71	Conversion of CCPS
Lavu Sahadev	Selling Shareholder	July 12, 2023	3,473	10.00	Conversion of CCPS
		January 27, 2024	4,566	412.61	Conversion of CCPS
		January 27, 2024	348	412.87	Conversion of CCPS
Manoj K Sanghani	Selling Shareholder	July 12, 2023	31,835	10.00	Conversion of CCPS
		January 27, 2024	41,855	412.61	Conversion of CCPS

		January 27, 2024	3,192	412.61	Conversion of CCPS
Millennium Medicare Private Limited	Selling Shareholder	July 12, 2023	23,152	10.00	Conversion of CCPS
		January 27, 2024	30,440	412.61	Conversion of CCPS
		January 27, 2024	2,335	412.57	Conversion of CCPS
K. Naveen Kumar Gupta	Selling Shareholder	July 12, 2023	5,788	10.00	Conversion of CCPS
		January 27, 2024	7,610	412.61	Conversion of CCPS
		January 27, 2024	584	412.40	Conversion of CCPS
Novacare Drug Specialities Private Limited	Selling Shareholder	July 12, 2023	1,11,131	10.00	Conversion of CCPS
		January 27, 2024	146,111	412.61	Conversion of CCPS
		January 27, 2024	11,141	412.67	Conversion of CCPS
Petros Diamantides	Selling Shareholder	July 12, 2023	39,631	10.00	Conversion of CCPS
		January 27, 2024	52,106	412.61	Conversion of CCPS
		January 27, 2024	3,996	412.68	Conversion of CCPS
Prashanth Ravindrakumar	Selling Shareholder	July 12, 2023	34,729	10.00	Conversion of CCPS
		January 27, 2024	45,660	412.61	Conversion of CCPS
		January 27, 2024	3,482	412.63	Conversion of CCPS
Suraj Prakash Atreja	Selling Shareholder	July 12, 2023	2,715	10.00	Conversion of CCPS
		January 27, 2024	3,570	412.56	Conversion of CCPS
		January 27, 2024	274	412.30	Conversion of CCPS
Venkata Ramana Siva Kumar Yanamadala	Selling Shareholder	July 12, 2023	3,473	10.00	Conversion of CCPS
		January 27, 2024	4,566	412.61	Conversion of CCPS
		January 27, 2024	348	412.87	Conversion of CCPS
Vikramaditya Ambre	Selling Shareholder	July 12, 2023	31,835	10.00	Conversion of CCPS
		January 27, 2024	41,855	412.61	Conversion of CCPS
		January 27, 2024	3,192	412.61	Conversion of CCPS
Prasid Uno Family Trust**	Shareholder with Special Rights	March 27, 2023	107	10.00	Transfer from IM Investments Trusts
		July 12, 2023	2,917,188	10.00	Conversion of CCPS
		January 27, 2024	3,740,532	423.08	Conversion of CCPS
		January 27, 2024	292,493	412.61	Conversion of CCPS

\*Prabhat Agrawal, Prem Sethi and OrbiMed Asia III Mauritius Limited are also Selling Shareholders and Shareholders with special rights

\*\* A trust formed in the year 2016 settled by Prabhat Narain Singh and his wife, Krishna Singh for the benefit of their immediate family members (“**Settlers**”). Its beneficiaries are Surbhi Singh, and her lineal descendants and the lineal descendants of Tushar Kumar. Its trustees are (a) Surbhi Singh and (b) Universal Trustee Private Limited (“**Trustees**”).  
^As certified by N B T & Co, Chartered Accountants (Firm Registration Number: 140489W), pursuant to their certificate dated February 13, 2024.

^^ Acquisition price for the allotments made on January 27, 2024, has been considered as amount paid at the time of CCPS acquisition divided by the number of equity shares allotted pursuant to conversion of CCPS.

#Due to rounding off.

### **Details of weighted average cost of acquisition of all Equity Shares transacted over the trailing three years, 18 months and one year preceding the date of this Prospectus**

<b>Period</b>	<b>Weighted average cost of acquisition (WACA) (in ₹)*</b>	<b>Lower End of the Price Band is ‘X’ times the WACA</b>	<b>Upper End of the Price Band is ‘X’ times the WACA</b>	<b>Range of acquisition price Lowest Price - Highest Price (in ₹)*</b>
<b>Last three years</b>	202.75	5.89	6.20	10.00-423.08
<b>Last 18 months</b>	225.56	5.30	5.58	10.00-423.08
<b>Last one year</b>	227.35	5.26	5.53	10.00-423.08

\*As certified by N B T & Co, Chartered Accountants (Firm Registration Number: 140489W), pursuant to their certificate dated February 13, 2024.

### **Details of pre-IPO placement**

Our Company has not undertaken a pre-IPO placement.

### **Issue of equity shares for consideration other than cash or bonus issue in the last one year**

Our Company has not issued any Equity Shares for consideration other than cash or bonus issue in the one year preceding the date of this Prospectus.

### **Split / Consolidation of Equity Shares in the last one year**

Our Company has not undertaken a split or consolidation of the equity shares in the one year preceding the date of this Prospectus.

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

Our Company filed an exemption application dated July 17, 2023 with the SEBI seeking a relaxation under Regulation 300(1) of the SEBI ICDR Regulations for eligibility of Equity Shares arising from the conversion of Preference Shares (that were fully paid and held by the Promoters for a continuous period of more than one year) for computation of the minimum Promoters’ contribution in terms Regulation 15 of the SEBI ICDR Regulations, to the extent there is a shortfall in meeting the minimum Promoters’ contribution requirement. Pursuant to the letter from the SEBI dated September 1, 2023, the SEBI has granted such relaxation to the extent there is a shortfall in meeting the minimum Promoters’ contribution requirements.

## SECTION II – RISK FACTORS

*An investment in equity shares involves a high degree of risk. Prospective investors should carefully consider all information in this Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. If any or some combination of the following risks actually occur, our business, prospects, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline and prospective investors may lose all or part of their investment. Investors in the Equity Shares should pay particular attention to the fact that we are subject to a regulatory environment that may differ significantly from that of other countries.*

*We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Some risks may be unknown to us and other risks, currently believed to be immaterial, could be or become material. To obtain a complete understanding of our business, prospective investors should read this section in conjunction with the sections “**Industry Overview**”, “**Our Business**”, “**Restated Consolidated Financial Information**”, “**Pro Forma Financial Information**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on pages 145, 180, 279, 397, and 429 respectively. In making an investment decision, prospective investors must rely on their own examination of our business and the terms of the Offer, including the merits and risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences to them of an investment in our Equity Shares.*

*This Prospectus contains forward-looking statements that involve risks and uncertainties and reflect our current view with respect to future events and financial performance, many of which are beyond our control, which may cause the actual results to be materially different from those expressed or implied by the forward-looking statements. See “**Forward-Looking Statements**” on page 24. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled “Assessment of the pharmaceutical and pharmaceutical delivery industry in India” dated November 2023 (“**CRISIL Report**”) prepared by CRISIL Limited (“**CRISIL**”). We commissioned the CRISIL Report on June 28, 2023 and paid an agreed fee for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. Further, a copy of the CRISIL Report shall be available on the website of our Company at <https://www.enterohealthcare.com/investor/initial-public-offer/industry-report.php> in compliance with applicable laws. There are no material parts, data or information, that have been left out or changed in any material manner. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant financial year. See “**Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation — Industry and Market Data**” and “**Risk Factors— This Prospectus contains information from third parties and from the CRISIL Report prepared by CRISIL, which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.**” on pages 22 and 64, respectively.*

*The risk factors have been determined on the basis of their materiality. Some events may not be material individually but may be found to be material collectively, some events may have a material impact qualitatively instead of quantitatively and some events may not be material at present but may have material impacts in the future.*

*Our Company’s financial year commences on April 1 and ends on March 31 of the immediately subsequent year. Unless otherwise indicated or the context otherwise requires, the financial information for financial years 2021, 2022 and 2023, and the six months ended September 30, 2022 and 2023, included herein is derived from the Restated Consolidated Financial Information included in this Prospectus.*

## INTERNAL RISKS

### Risks Relating to our Business

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

We have completed a number of acquisitions of distributors in India to expand our business and increase our customer base. Since the inception of our Company in the Financial Year 2018, we have acquired 34 entities in the healthcare products distribution industry. For details relating to our past acquisitions, see “*History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations or any revaluation of assets, in the last ten years*” on page 213.

The following table sets forth details relating to our past acquisitions, for the periods/years indicated:

Particulars	For the six months ended September 30,		For the Financial Year		
	2023	2022	2023	2022	2021
Number of entities acquired	1	3	3	8	3
Amount invested in the acquisition of entities ( <i>₹ in millions</i> )	226.97	245.74	245.74	1,469.24	21.09
Revenue recognized from entities (other than entities acquired during the financial year) ( <i>₹ in millions</i> )	20,358.89	16,247.55	33,639.94	25,054.72	18,819.86
Revenue recognized from entities acquired during the financial year ( <i>₹ in millions</i> )	41.63	248.72	836.23	1,416.27	212.29
Intra-group transactions* ( <i>₹ in millions</i> )	(1,445.51)	(656.59)	(1,474.11)	(1,250.33)	(1,234.78)
Revenue from operations ( <i>₹ in millions</i> )	18,955.01	15,839.68	33,002.07	25,220.65	17,797.37

\*Intra-group transactions include eliminations of intra-group transactions and pre-acquisition revenues.

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

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



Potential difficulties that we may encounter as part of the integration process could include the following:

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

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

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

**2. *We have experienced negative cash flows from operating, investing and financing activities in the past and may continue to do so in the future.***

We have in the past, and may in the future, experience negative cash flows from operating, investing and financing activities. The following table sets forth our net cash inflow/(outflow) from operating, investing and financing activities for the periods/years indicated:

Particulars	For the six months ended September 30,		For the Financial Year		
	2023	2022	2023	2022	2021
	(₹ in millions)		(₹ in millions)		
Operating profit before working capital changes	570.72	232.43	692.79	217.06	318.24
Working capital changes	(1,349.33)	(863.59)	(1,021.67)	(460.68)	(959.25)
Income tax paid	(48.60)	(46.08)	(124.27)	(109.04)	(45.83)
Net cash flows used in operating activities	(827.21)	(677.24)	(453.15)	(352.66)	(686.84)
Net cash flows used in investing activities	(188.81)	(338.33)	(485.95)	(1,617.32)	(308.69)

Particulars	For the six months ended September 30,		For the Financial Year		
	2023	2022	2023	2022	2021
	(₹ in millions)		(₹ in millions)		
Net cash flow from financing activities	1,270.91	946.74	727.64	2,111.92	887.13
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>254.90</b>	<b>(68.83)</b>	<b>(211.46)</b>	<b>141.94</b>	<b>(108.40)</b>
Cash and cash equivalents at the beginning of the year	253.62	465.08	465.08	323.14	431.54
Add: on acquisition of business	10.78	-	-	-	-
<b>Cash and cash equivalents at the end of the year</b>	<b>519.29</b>	<b>396.25</b>	<b>253.62</b>	<b>465.08</b>	<b>323.14</b>

We had net cash outflow from operating activities primarily due to increases in trade receivables and inventories. Any negative cash outflows from operating activities over extended periods, or significant cash outflows in the short term from investing and financing activities, could have an adverse impact on our cash flow requirements, business operations and growth plans. As a result, our cash flows, business, future financial performance and results of operations could be adversely affected. For further details, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Cash Flows*” on page 457.

3. *We may incur losses and our reputation may be adversely affected by the return of our products by customers, arising from the distribution of expired, unsafe, defective, ineffective or counterfeit products, and product spoilage, breakage and damage during transportation or in storage. We may also be subject to product liability claims.*

Our business is exposed to risks inherent in the distribution of healthcare products, such as distributing expired, unsafe, defective, ineffective or counterfeit products and product spoilage, breakage and damage during transportation or in storage. The materialization of such risks may allow our customers to return these products to us and initiate a refund. While we do not manufacture pharmaceutical products, if we promote and distribute such products, our reputation and customers’ perception of our product safety can also be damaged. While we may have the right to recover from the relevant suppliers any compensation that we are required to make to our customers or end users in connection with the distribution of expired, unsafe, defective, ineffective or counterfeit products, and product spoilage, breakage and damage during transportation or in storage, we cannot assure you that we will be able to recover the relevant amounts from these manufacturers, or at all, which may have an adverse impact on our profit margins, profitability, cash flows and results of operations. We may not be able to recover the relevant amounts from these suppliers, primarily due to a large customer base, inherent delays in the timing of recording returns/reverse logistics, low levels of technology adaptation at the retailer level, inherent delays in submission of claims to suppliers, and rejection of claims by suppliers. Further, we may also be exposed to financial and reputational risks in relation to private label products which are manufactured by contract manufacturers and distributed by us.

Further, customers may institute product liability claims against us, which could lead to considerable expense, negatively affecting our reputation and financial performance as a whole. Product liability claims may arise from defective products, product recalls, insufficient or improper labelling of products, inadequate or misleading warnings or disclosures relating to side effects or improper consumption of product by end-users. We do not maintain product liability insurance cover. Any claims against us, regardless of their merits, could damage our reputation and customer confidence in our products, and strain our financial resources in addition to consuming the time and attention of our management. In April 2022, the Drug Inspector (Kokan division), Thane filed a complaint against us and our Directors, alleging sub-standard quality of sterile gauze swab which is marketed by our company and manufactured by one of our vendors M/s Nuvo Medsurg Private Limited before the Court of Hon’ble Judicial Magistrate First Class, 5th Court, Bhiwandi. The Court vide an order dated April 19, 2022 (“**Order**”) issued summons against the Accused Persons. Our company has filed a Writ Petition dated August 25, 2023, in the High Court of Judicature at Bombay against the State of Maharashtra and the Complainant challenging the Order passed by the Court of Hon’ble Judicial Magistrate First Class, 5<sup>th</sup> Court, Bhiwandi dated April 19, 2022 and prayed inter alia for quashing of complaint filed by the Complainant and staying the operation of the Order on the grounds that the Company is not a manufacturer of the Product hence it cannot be made liable for contravention of aforesaid laws. For details, please see “*Outstanding Litigation and Material Developments - Litigation involving our Company –Actions Taken by Regulatory and Statutory Authorities*” on page 476 of this

Prospectus.

**4. Our lenders have imposed certain restrictive conditions on us under our financing arrangements, which may adversely affect our ability to conduct our business and impair our future growth plans.**

We have entered into agreements for availing certain cash credit facilities from various lenders. Certain covenants in these agreements require us to obtain approval/permission from our lenders in certain conditions including changes in the shareholding, ownership, management, control, nature of business, and constitutional documents of our Company and our Subsidiaries, dilution below minimum shareholding by certain of our promoters in the Company and shareholding of our Company in our Subsidiaries, repayment/pre-payment of loans availed by us, our Company and our Subsidiaries availing further debt or undertaking expansion or investing in third parties. Certain bank facilities availed by our Subsidiaries are secured by corporate guarantees of the Company. Our lenders have the option to make the entire outstanding amount payable on demand, including in the event of default or breach of certain covenants. Further certain agreements also impose financial covenants such as maintenance of financial ratios such as total outstanding liability to total/adjusted net worth, earnings before interest and taxes, profit after tax or debt to equity, total debt outstanding to tangible net worth in such manner as specified. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences.

In the past, our Company had acquired a subsidiary, CPD Pharma Private Limited (“CPD”) by entering into a share purchase agreement with CPD and its erstwhile promoters. The erstwhile promoters of CPD had earlier availed certain loan facilities from a lender in the name of their separate partnership firm which were erroneously transferred to CPD. Since the account belonging to CPD had been classified as a non-performing asset prior to the repayment, we requested the erstwhile promoters of CPD to repay and close the outstanding loan which was subsequently repaid by them. We also obtained a letter from the lender confirming closure of the said account post repayment. As the erstwhile promoters of CPD had repaid the outstanding loan (amounting to ₹21.79 million), the account belonging to CPD was no longer classified as a non-performing asset, and thus, there has been no material impact on our business, results of operations and financial condition. Further, some of our Subsidiaries i.e. Sessa Balajee Medisolutions Private Limited, SVMED Solutions Private Limited, and Vasavi Medicare Solutions Private Limited had availed working capital loan facilities from the lender who called an event of default under the loan agreements entered into with it and our subsidiaries, and required the outstanding amounts under the facilities to be paid within a period of three months. The lender alleged that there were material differences in reporting of operating and net profits between the preliminary consolidated annual report and final consolidated annual report. While we disputed the applicability of such an event of default and also highlighted certain service-related issues in our communications with the lender, we, nonetheless, repaid the working capital facilities in full and prior to the prescribed repayment date. We also obtained letters from the lender confirming that there are no dues payable by the said subsidiaries. For further details, please see, “*History and Certain Corporate Matters - Defaults or rescheduling/restructuring of borrowings from Financial Institutions/Banks*” on page 212.

A default by us under the terms of any financing document would also trigger a cross-default under some of our other financing documents, or any other agreements or instruments containing a cross-default provision, which may individually or in aggregate, have an adverse effect on our operations, financial position, credit rating, prospects, business, results of operations and reputation including in our ability to raise further debt financing on terms acceptable to us or at all. We may not have sufficient funds to meet all of the repayment demands as described above, if they were to occur. Further, if such events happen in future, it may adversely affect our business, operations, financial condition, and ability to obtain credit on favourable terms.

Any failure to comply with the requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. We may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. For further details, please see “*Financial Indebtedness*” on page 466.

5. ***Our operations are subject to high working capital requirements, and have incurred substantial indebtedness. Our inability to maintain an optimal level of working capital or financing required may impact our operations and profitability adversely.***

Our business may require significant amount of working capital, and a major portion of our working capital is utilized towards inventories. As of September 30, 2023, our working capital was ₹7,826.51 million. As on November 30, 2023, we had a total sanctioned limit of working capital facilities of ₹ 4,077.00 million, including fund-based and non-fund based sub-limits. The table below sets forth details relating to our working capital turnover ratio as of the periods/years indicated:

Particulars	As of September 30, <sup>^</sup>		As of March 31,		
	2023	2022	2023	2022	2021
Working capital (₹ in millions)	7,826.51	6,235.76	6,348.18	5,316.07	4,026.76
Working capital turnover ratio*	3.01	2.82	6.34	6.04	5.39

\*Working capital turnover ratio is computed by dividing revenue from operations (grossed up for GST) by average working capital. "Average working capital" is calculated as the average of working capital as at the end of financial year/period and working capital as at the end of previous financial year/period.

<sup>^</sup>Not annualised

Our growing scale and expansion, if any, may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition, result of our operations and profitability. While a portion of our Net Proceeds are proposed to be utilized towards funding of long term working capital requirements of our Company and our Subsidiaries in Financial Years 2025 and 2026, we may, in view of our high working capital requirements, still require additional alternate working capital funding in Financial Years 2025, 2026 and beyond. Further, while we utilize the Net Proceeds towards the repayment of certain working capital loans as well as towards working capital purposes, we will continue to incur interest cost in relation to the outstanding working capital loans after the Offer. We cannot assure you that we will be able to efficiently deploy the Net Proceeds for working capital purposes in a timely and efficient manner. See "Objects of the Offer — Details of the Objects of the Offer" on page 117.

Our ability to negotiate with our lenders to determine our drawing limits will affect our ability to fund our working capital requirements through a combination of debt and equity sources. Further, our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows, general market conditions, economic and political conditions in the markets where we operate and our capacity to service debt. Set forth below are the details of our total outstanding borrowings as of March 31, 2021, 2022 and 2023, and as of September 30, 2022, and 2023.

Particulars	As of September 30,		As of March 31,		
	2023	2022	2023	2022	2021
	(₹ in millions)		(₹ in millions)		
Total outstanding borrowings*	4,894.76	3,675.07	3,743.15	2,850.28	1,417.23

\*Inclusive of current maturity of long-term loan

Our indebtedness results in substantial amount of debt service obligations, which could lead to:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- affecting our credit rating;
- limiting our ability to borrow more money both now and in the future; and
- increasing our interest expenditure and adversely affecting our profitability.

Our business operations expose us to a variety of financial risks, including credit risk, liquidity risk and in particular, market risk. If any of the credit facilities availed by us are recalled on a short notice, we may be required to arrange for funds to fulfil the necessary requirements. The occurrence of these events may have an adverse effect on our profitability, cash flow and financial conditions.

**6. We have experienced losses in the Financial Years 2021, 2022 and 2023, and the six months ended September 30, 2022.**

We have experienced losses in the Financial Years 2021, 2022 and 2023, and the six months ended September 30, 2022, as set forth in the table below:

Particulars	For the six months ended September 30,		For the Financial Year		
	2023	2022	2023	2022	2021
Restated profit for the year ( <i>₹ in millions</i> )	116.42	(108.57)	(111.04)	(294.39)	(153.54)
Percentage of revenue from operations (%)	0.61%	(0.69%)	(0.34)%	(1.17)%	(0.86)%

The losses for the Financial Years 2021, 2022 and 2023, and the six months ended September 30, 2022 have primarily arisen due to our total expenses being higher than our total income for these periods. The losses for the Financial Years 2021, 2022 and 2023, and the six months ended September 30, 2022 also include expenses towards COVID-19 related inventory write-offs and losses relating to our scaled down ancillary business. For further details, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Measures – EBITDA and Adjusted EBITDA*” on page 460. Purchase of stock-in-trade (i.e., the healthcare products that we on-sell to our customers through our healthcare products distribution platform) is the largest component of our total expenses and significantly impacts our profitability and margins. The table below sets forth our purchase of stock-in-trade as a percentage of revenue from operations is set forth for the Financial Years 2021, 2022 and 2023, and the six months ended September 30, 2022, and 2023:

Particulars	For the six months ended September 30,		For the Financial Year		
	2023	2022	2023	2022	2021
Purchase of stock-in-trade ( <i>₹ in millions</i> )	17,600.30	14,585.35	30,512.60	23,424.71	16,851.90
Purchase of stock-in-trade as a percentage of revenue from operations (%)	92.85%	92.08%	92.46%	92.88%	94.69%

The procurement cost of stock-in-trade from our suppliers is largely based on our suppliers’ discount structure and pricing schemes, as well as market competition. We apply a margin over the selling prices set by our suppliers when we sell to our customers. Our ability to procure products at competitive prices from our suppliers in order to improve our gross profit margin significantly affects the profitability of our business. There is no assurance that we will be able to improve our procurement efficiency or increase the margin that we apply on the selling prices to our customers. Further, increases in the other costs forming a part of our total expenses in the future may also lead to losses in the future. If we are unable to generate adequate revenue growth and manage our expenses, we may continue to incur losses in the future.

**7. We have pledged equity shares of certain of our Subsidiaries in favor of certain lenders and if events of default arise under the financing agreements, such lenders could invoke the relevant share pledge agreements, adversely affecting our business, results of operations, cash flows and prospects.**

The Company has pledged equity shares of certain of our Subsidiaries held by the Company in favor of lenders to secure loan facilities availed by our Company and our Subsidiaries. Such pledges have been created in respect of:

- 100.00% of the paid-up equity share capital of our Subsidiaries, Sree Venkateshwara Medisolutions Private Limited and Calcutta Medisolutions Private Limited in favor of Patni Financial Advisors Private Limited; and

- 100.00% of the paid-up equity share capital of our Subsidiaries, SS Pharma Traders Private Limited, SVS Lifesciences Private Limited, Saurashtra Medisolutions Private Limited, City Pharma Distributors Private Limited, Atreja Healthcare Solutions Private Limited and Swami Medisolutions Private Limited in favor of Beacon Trusteeship Limited, acting as security trustee for our debenture holders.
- 100.00% of the paid-up equity share capital of our Subsidiaries, New Siva Agencies Private Limited and New RRPD Private Limited in favour of Beacon Trusteeship Limited, acting as security trustee for Vivriti Capital Limited.

Set forth below are the details of the aforementioned loans, as on November 30, 2023:

Name of Entity	Name of Lender	Amount of Loan Taken	Rate of Interest	Term	Repaid	Outstanding Balance as on November 30, 2023	Pledge Details
Entero Healthcare Solutions Limited	True North Credit Opportunities Fund	450.00	12% coupon & 14.09% IRR	40 months	-	450.00	Saurashtra Medisolutions Private Limited, SVS Lifesciences Private Limited, SS Pharma Traders Private Limited
	True North Credit Opportunities Fund	150.00	8% coupon & 16% IRR	40 months	-	150.00	Atreja Healthcare Solutions Private Limited, City Pharma Distributors Private Limited, Swami Medisolutions Pvt Ltd
	Incred Credit Opportunities Fund	300.00	8% coupon & 16% IRR	40 months	-	300.00	
	Patni Financial Advisors Private Limited	350.00	13.50%	36 months	-	350.00	Sree Venkateshwara Medisolutions Pvt Ltd, Calcutta Medisolutions Private Limited
	Vivriti Capital Private Limited	400.00	13.5% to 14%	12 month	113	288.00	New Siva Agencies Private Limited & New RRPD Private Limited
New Siva Agencies Private Limited	Vivriti Capital Private Limited	50.00	13.55%	12 month	-	50.00	New Siva Agencies Private Limited
New RRPD Private Limited	Vivriti Capital Private Limited	50.00	13.55%	12 month	-	50.00	New RRPD Private Limited

We confirm that, except as disclosed under the section titles “Financial Indebtedness – Principal terms of the borrowings availed by us”, there are no other salient covenants under the aforementioned loan agreements. For further details related to the outstanding borrowings of our Company and our Subsidiaries, see “**Financial Indebtedness**” beginning on page 466.

Any default or breach under the relevant financing agreement and share pledge agreements pursuant to which such equity shares have been pledged will entitle the lenders to invoke the pledge over the equity shares. Such lenders could take ownership of the pledged equity shares and may even sell them to third parties. If these pledges are invoked, our shareholding and control in such Subsidiaries may be reduced or divested completely. Such occurrences could adversely affect our economic interest in such Subsidiaries and our ability to manage the affairs of these Subsidiaries.

#### 8. ***Our private label business may not be successful.***

Our private label business involves a large number of risks, including, difficulties we may face in attracting and retaining customers as they may be unfamiliar with our brands. Similarly, our relationships with our retail pharmacies / customers might be hindered due to the competition from their own private label products. Further, we face significant competition from other private label brands. For example, due to significant external competition and pricing pressure, we are gradually scaling down our generic medicine business (under our private label brand “**Curever**”). The following table sets forth certain financial information for Curever, since its

inception:

Particulars	For the six months ended September 30,		For the year ended March 31,		For the period between January 19, 2021 to March 31, 2021
	2023	2022	2023	2022	
Revenue from operations for Curever (₹ in millions)	37.25	30.27	44.76	171.34	-
Revenue from operations for Curever as a percentage of total revenue from operations (%)	0.20%	0.19%	0.13%	0.68%	-
Profit/(loss) after tax for Curever (₹ in millions)	(35.71)	(83.27)	(152.99)	(167.14)	(10.28)
Profit/(loss) after tax for Curever as a percentage of total profit/(loss) after tax (%)	(30.68)%	76.70%	137.78%	56.77%	NA*

\*Not applicable because profit/(loss) after tax for the period between January 19, 2021 to March 31, 2021 for the Group at a consolidated level has not been tracked.

Further, as our generic medicine business is not expected to contribute significantly to our financial results going forward, the EBITDA of the Curever business for the respective years has been adjusted for the purposes of calculating our Adjusted EBITDA. Further, during the period of the COVID-19 pandemic in 2020 and 2021, we procured a significant amount of inventory of sanitizers, personal protective equipment kits, masks and infrared thermometers in anticipation of more waves of COVID-19 and emergencies thereafter. However, as the impact of COVID-19 subsided from late 2022 onwards, the demand for these inventories also reduced. As a result, these have been brought down to their new realisable values and presented as adjustments to our EBITDA, as we are gradually phasing out trading of these products. For details, see “*Management’s discussion and analysis of financial condition and results of operations – Non-GAAP measures – EBITDA and Adjusted EBITDA – Earnings before interest costs, taxes, depreciation and amortization*” on page 460.

Further, consolidation of retail pharmacies with third party players, expansion of large retail pharmacy networks, reductions in reimbursement rates, shifts in the mix of branded and generic pharmaceutical sales, and exclusion from preferred pharmacy networks could also impair the sales of our private label products, and hinder our profitability. A failure to maintain profitable operations from our private label business may result in significant costs, including those associated with closures of our operations and a reduction in our workforce. If our private label operations fail to achieve, or are unable to sustain, acceptable net sales and profitability levels, it might have an adverse impact on our business, financial position or results of operations.

9. ***The Price Band, Offer Price, market capitalization to total revenue, total assets and EBITDA/EV based on the Offer Price of our Company, may not be indicative of the market price of our Company on listing or thereafter.***

For the six months ended September 30, 2023 and the year ended March 31, 2023, our total revenue (prelimination) was ₹ 20,611.48 million and ₹ 34,476.18 million respectively. For the six months ended September 30, 2023 and the year ended March 31, 2023 our revenue from operations was ₹ 18,955.01 million and ₹ 33,002.07 million respectively. Our total assets for the year ended March 31, 2023 and six months ended September 30, 2023 were ₹ 13,087.27 million and ₹ 15,059.54 million, respectively, and our market capitalization to total revenue for the year ended March 31, 2023 and the six months ended September 30, 2023, multiple is 1.66 times and 2.88 times of the Offer Price. Further, our EV/EBITDA for the year ended March 31, 2023 and the six months ended September 30, 2023 is 90.64 and 108.31 respectively at the Offer Price. Our market capitalisation to total assets for the year ended March 31, 2023, and the six months ended September 30, 2023, multiple is 4.18 times and 3.63 times of the Offer Price. The Offer Price of the Equity Shares has been determined on the basis of assessment of market demand for the Equity Shares offered through a book-building process and certain quantitative and qualitative factors as set out in the section titled “Basis for Offer Price” on page 131. The table below provides details of our EV/EBITDA ratio, market capitalization to total revenue, market capitalization to total assets and comparison with our peers:

Year/ Period	EV/ EBITDA	Market capitalisation to total revenue	Market capitalisation to total assets
<b>Our Company</b>			

For the six months period ended September 30, 2023	108.31	2.88	3.63
For Fiscal 2023	90.64	1.66	4.18
<b>Medplus Health Services Limited</b>			
For the six months period ended September 30, 2023	61.38	3.26	3.01
For Fiscal 2023	35.59	1.92	3.16

Source: All the financial information for listed industry peer mentioned above is on a consolidated basis and is sourced from the annual reports/annual results as available of the respective company submitted to stock exchanges.

Notes:

1. Market capitalization for industry peer has been computed based on the closing market price of equity shares on NSE on January 15, 2024 and Market capitalization for the Company has been computed as a product of proposed post issue number of equity shares of the Company (calculated at on the basis of Cap Price) and Cap Price
2. Total Assets and Total Income = Total assets and Total Income (total Revenue) as disclosed in the respective financial statements.
3. Enterprise Value (EV) = Market capitalisation plus net debt.
4. Net debt = Long Term Borrowings + Short Term Borrowings + Long Term Lease Liabilities + Short Term Lease Liabilities – Cash and cash equivalents - Bank balances other than cash and cash equivalent
5. EBITDA = EBITDA is calculated as revenue from operations reduced by purchase of stock-in-trade and changes in inventories of stock-in-trade, employee benefit expense and other expenses

The Price Band, Offer Price and derived multiples and ratios may not be indicative of our market price on listing or thereafter. Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. 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. Any valuation exercise undertaken for the purposes of the Offer by us, in consultation with the Book Running Lead Managers, is not based on a benchmark with our industry peers. The relevant financial parameters based on which the Price Band was determined, was disclosed in the advertisement that would be issued for publication of the Price Band. 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, announcements by us or our competitors of significant acquisitions, strategic alliances, our competitors launching new products or superior products, COVID-19 related or similar situations, announcements by third parties or governmental entities of significant claims or proceedings against us, volatility in the securities markets in India and other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

**10. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised by any bank or financial institution or any other independent agency, and may be subject to change based on various factors, some of which are beyond our control.**

We intend to utilize the Net Proceeds for (i) the repayment/prepayment, in full or part, of certain borrowings availed of by our Company, (ii) funding of long-term working capital requirements of our Company and Subsidiaries during Fiscal 2025 and 2026, and (iii) general corporate purposes and inorganic growth initiatives. For further details, see “*Objects of the Offer – Objects of the Fresh Issue*” on page 116.

The funding requirements and deployment of the Net Proceeds mentioned as a part of the objects of the Offer are based on internal management estimates and have not been appraised by any bank or financial institution or other independent agency. Accordingly, no appraising entity has been appointed for the Offer. As such, prospective investors will need to rely upon our management’s judgment with respect to the use of Net Proceeds. If we are unable to deploy the Net Proceeds in a timely or efficient manner, our business and results of operations may be affected. We operate in a competitive and dynamic industry and may need to revise our estimates from time to time based on changes in a number of factors, including timely completion of the Offer, general economic and business conditions, technological changes, increasing regulations or changes in government policies, competitive landscape, as well as general factors affecting our business, results of operations, financial condition and access to capital such as credit availability and interest rate levels, which are beyond our control. Furthermore, the deployment of the Net Proceeds is at the discretion of our management, in accordance with applicable laws. In particular, the amount of net proceeds that we will utilize towards acquisitions will be based on our management’s decision, and may not constitute the total value or cost of any such acquisition. We are required to appoint any monitoring agency to monitor the utilization of the Net Proceeds. If we are unable to deploy the Net Proceeds in a timely or an efficient manner, it may affect our business and the results of operations. Further, while we will utilize the Net Proceeds towards the repayment of certain working capital loans as well as towards working capital purposes, we will continue to incur interest in relation to the outstanding working capital loans after the Offer. We cannot assure you that we will be able to efficiently deploy the Net Proceeds for working capital purposes in a timely and efficient manner.



**11. *There have been delays in filing of certain e-forms filings of our Company in compliance with the Companies Act, 2013. Consequently, we may be subject to regulatory actions and penalties for such delays which may adversely impact our business and financial condition.***

There have been instances of delay by our Company in filing of certain e-forms for corporate actions. These include e-form filings with the MCA in relation to certain resolutions for issuances of CCPS by our Company. For instance, our Company was required to file form MGT-14 with the RoC in respect of shareholders' resolutions for issuances of Series A1 CCPS, Series A2 CCPS, Series A3 CCPS and Series A4 CCPS vide the special resolutions dated December 30, 2020 and December 31, 2021, each pursuant to rights issues and allotment thereunder on various dates. Such filing was required to be made in compliance with Section 117 of the Companies Act. However, our Company did not file the form MGT-14 within the prescribed time period due to oversight on account of manpower constraints during the COVID-19 pandemic. Although, our Company has now made the relevant filings along with the required additional fee for a delayed filing and the said forms has been approved by MCA, we cannot assure you that the RoC will not issue a notice or take any other regulatory action against our Company and its officers in this regard.

We cannot assure you that such delays will not happen in the future and that our Company will not be subject to any action, including monetary penalties by statutory authorities on account of any inadvertent discrepancies in, or non-availability of, or delays in filing of, any of its secretarial records and filings, which may adversely affect our reputation.

**12. *We have made certain errors in our form filings in the past, in relation to our capital structure and amendments to our memorandum of association, with the Registrar of Companies.***

In the past, there have been certain instances of errors in our filings of statutory forms with RoC as per the reporting requirements laid down under the Companies Act, 2013 in relation to the capital structure and corporate actions of our Company. Examples of such inaccuracies in relation to allotments undertaken by our Company in the past, are listed below:

- (i) For the allotment of Equity Shares and Series A1, A2 and A4 CCPS dated August 1, 2018, the board resolution annexed to the Form PAS-3 filing incorrectly states the number and class of CCPS allotted to IM Investments Trust as "104,999,900 Series A1 CCPS" instead of "44,999,900 Series A2 CCPS". The board resolution further omits to state the class of CCPS allotted to Petros Diamantides, i.e. Series A4 CCPS, although the same is correctly reflected in the list of allottees annexed with the form filing.
- (ii) For the allotment of Series A1 CCPS dated April 26, 2019, the Form PAS-3 filing incorrectly states "Series A4" as the class of CCPS instead of Series A1.

Although there would no effect on the issued, paid up and subscribed share capital of the Company due to the aforementioned clerical errors, the Form PAS-3 is approved on "straight through process" therefore, it does not allow to make any further changes in the already filed form with RoC. Further, following are the inaccuracies in relation to the amendments to the MoA of our Company in the past:

- (i) For the amendment to our MoA dated July 17, 2018, pursuant to increase in our authorized share capital, the shareholders' resolution incorrectly states that the existing authorized share capital comprised of "10,000" Equity Shares instead of "100,000" Equity Shares. Further, the amended MoA and the shareholders' resolution annexed to Form SH-7 inadvertently omit to state the addition of 2,100,200 Series A4 CCPS to the preference share capital post increase.
- (ii) For the amendment to our MoA dated July 23, 2018, the shareholders' resolution and the amended MoA annexed to the Form SH-7 incorrectly states the number of Series A4 CCPS post reclassification of our authorized share capital as "6,512,500" instead of "11,850,200" Series A4 CCPS.

In order to rectify the abovementioned errors and bring it to the notice of all stakeholders including regulators, our Company had filed Form GNL-2 dated September 2, 2023, and September 5, 2023, for intimating the inaccuracies in the form filings and the attachments thereto. In relation to the allotments dated April 26, 2019, and August 1, 2018, certain incremental clarifications were required by the RoC on the delay in submission of Form GNL-2. We provided our response vide letters dated September 7, 2023, and resubmitted the Forms GNL-2. All

Form GNL-2 filings have been approved by the RoC.

We cannot assure you that such inaccuracies will not happen in the future and that our Company will not be subject to any action, including monetary penalties by statutory authorities on account of any inadvertent discrepancies in any of its secretarial records and filings, which may adversely affect our operations and financial position.

**13. We are unable to trace the Form FC-GPR filing for one of our past allotments of Equity Shares and CCPS.**

The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, require a company to report any issuance of shares or convertible debentures in accordance with these regulations in Form FC-GPR within 30 days of such issuance. However, we have been unable to trace such filing made by us for the allotments dated August 1, 2018, of (i) Equity Shares and Series A1 CCPS to our Corporate Promoter, and (ii) Series A4 CCPS to Petros Diamantides. In the absence of the original form filing, we have relied on the copy of the RBI acknowledgements dated September 18, 2018, available with us, which were received post filing of Form FC-GPR in relation to the allotments.

While we believe that the aforementioned allotments were undertaken in accordance with applicable laws, we cannot assure you that the relevant forms and acknowledgements will be available with us in the future. Further, we cannot assure you that our Company will not be subject to any action, including monetary penalties by statutory authorities on account of any inadvertent discrepancies in, or non-availability of, regulatory filings, which may adversely affect our reputation.

**14. We do not have long term agreements with our customers, which could adversely impact our business as our customers can terminate their relationships with us without notice.**

We do not have long term agreements with our customers. As a result, our customers can terminate their relationships with us without notice, which could adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand. Our customers have no obligation to place an order with us and may either cancel, reduce or delay orders. The orders placed by our customers are dependent on factors such as pricing, customer satisfaction, fluctuation in demand, customers' inventory management, amongst others. Although, we have a strong emphasis on quality, timely delivery of our products and personal interaction with the customers, any change in the buying pattern of customers can adversely affect the business of our Company.

**15. We are subject to credit risk with respect to trade receivables.**

We face credit risk in collecting trade receivables due from customers. While we monitor defaults of customers and other counterparties and incorporate this information into our credit risk controls, there can be no assurance that all amounts due to us would be settled in time, or that such amounts will not continue to increase in the future, as various factors beyond our control, including general economic conditions of the Indian healthcare industry, may affect the financial condition and likelihood of default of our customers. Set forth below are the details of our trade receivables, provision for expected credit loss and debtor days as of March 31, 2021, 2022 and 2023, and as of September 30, 2022 and 2023:

Particulars	As of September 30,		As of March 31,		
	2023	2022	2023	2022	2021
Trade receivables (Net of Provision) (₹ in millions)	6,304.88	4,771.89	5,148.84	3,745.99	2,421.52
Provision for expected credit loss (₹ in millions)	161.79	86.62	132.51	82.25	20.83
Debtor days (number)	54	49	51	49	44

While we have not faced any material instances in the past, our performance, liquidity and profitability would be adversely affected if significant amounts due to us are not settled on time or substantial impairment is incurred. The bankruptcy or deterioration of the credit condition of any of these customers and counterparties could also

materially and adversely affect our business, results of operations and financial condition.

**16. We face risks related to health epidemics and pandemics which could adversely affect our business.**

We might be adversely affected by events outside of our control, including widespread public health issues, such as epidemic or pandemic infectious diseases; natural disasters such as earthquakes, floods or severe weather; political events such as terrorism, military conflicts and trade wars; and other catastrophic events.

The COVID-19 pandemic had adversely impacted our operations, supply chains and distribution network. Further, during the period of the COVID-19 pandemic in 2020 and 2021, we procured a significant amount of inventory of sanitizers, personal protective equipment kits, masks and infrared thermometers in anticipation of more waves of COVID-19 and emergencies thereafter. However, as the impact of COVID-19 subsided from late 2022 onwards, the demand for these inventories also reduced. During the Financial Years 2021 and 2022, we recognized provision for inventory amounting to ₹301.48 million and ₹116.59 million, respectively. For details, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Our Results of Operations – Financial Year 2022 compared to Financial Year 2021 – Changes in inventories of stock-in-trade*” on page 456. Further, we face risks related to health epidemics and pandemics, including risks related to any responses thereto by the government of India, as well as our customers and suppliers. Any future disruption in our ability to service our customers could have an adverse effect on our revenue, results of operations, and cash flows. We also face risks related to a downturn in our customers’ respective businesses, including the operations of our retail pharmacy and health systems customers. An economic slowdown or recession due to health epidemics and pandemics, including the recurrence of the COVID-19 pandemic or a similar variant of the disease, may affect our customers’ ability to obtain credit to finance their business on acceptable terms, which could result in reduced spending on our products and services.

**17. We may be unable to manage our growth if we are not able to efficiently operate, maintain or expand our supply chain and distribution infrastructure. Further, we may not be able to implement our business strategies, which may adversely affect our business and prospects.**

We commenced our business in January 2018 and have witnessed a growth in revenue from operations at a CAGR of 36.17% from the Financial Year 2021 to Financial Year 2023, and at a CAGR of 19.67% from the six months ended September 30, 2022 to the six months ended September 30, 2023. For details relating to the breakdown of revenue recognized from entities (other than entities acquired during the financial year) and revenue recognized from entities acquired during the financial year, see “- *Since our inception, we have completed a number of acquisitions of distributors in India to expand our business and increase our customer base, and may continue to complete more acquisitions in the future. However, we may be unable to realize the anticipated benefits of past or future acquisitions successfully. Further, if we are unable to identify expansion opportunities or experience delays or other problems in implementing our strategy of inorganic growth, our business, financial condition, results of operations, cash flows and prospects may be adversely affected.*” on page 40. We provide distribution services for healthcare products to retail pharmacies, hospitals and healthcare clinics in India. Our efforts to efficiently operate, maintain and expand our distribution infrastructure may be unsuccessful. Our ability to efficiently operate our distribution infrastructure relies on coordination amongst various stakeholders within our network, including, among others, our suppliers, transportation providers and our employees. If we fail to maintain coordination amongst various stakeholders in a synergistic manner, our business, financial condition and results of operations may be adversely affected.

Further, if we expand our distribution infrastructure too rapidly, we may encounter financial difficulties if the demand for our services falls short of our increased capacities. On the other hand, if we fail to expand our infrastructure and geographic reach at the necessary pace, we may lose potential customers and market share, or a portion of our existing customers’ business to our competitors. The success of our planned expansion depends upon many factors, including our ability to optimize our distribution network, form relationships with, and manage an increasing number of, customers nationwide. If we fail to expand our business network as planned or if we are unable to compete effectively with other healthcare products distributors, our business, financial condition and results of operations may be adversely affected. Further, as our business continues to grow, we may not be able to locate desirable sites for new warehousing facilities, as we compete with other businesses for premises at certain locations or locate sites of desirable scale or quality.

Some of our newly established warehousing facilities may not generate the efficiencies and benefits we anticipate,

which could adversely affect our business, results of operations, financial condition and cash flows. For example, we have in the past scaled down on warehousing space in certain locations due to slower than anticipated growth in business. Further, we follow a “hub and spoke” model, which connects our warehouses and supply points across districts. While we have not faced any such instances in the past, this model may not be successful or result in benefits that we expect, potentially due to limited storage capacity of our hubs or failure of our hubs for whatever reason, which in turn may hinder our growth in new cities in a capital and cost-efficient manner.

Further, we may not be able to implement our business strategies. We aim to grow sales through our existing distribution network, pursue comprehensive marketing and distribution collaborations with healthcare product manufacturers, expand our product adjacencies, private label and service offerings, and increase our customer reach, customer retention and customer wallet share through continued investment in our technology infrastructure. For details, see “*Our Business – Our Strategies*” on page 190.

Our business strategies involve new risks and challenges. For instance, with an aim to grow sales, we may misjudge user demand, resulting in inventory build-up and possible inventory write-down as well as unpleasant customer experience. Furthermore, we may not have purchasing power in new categories of products and we may not be able to negotiate favorable terms with suppliers. We may need to price aggressively to gain market share or remain competitive in new categories of products. We cannot assure you that we will be able to recoup our investments made pursuant to our business strategies. We may not be able to manage our growth effectively and our business and prospects may be adversely affected.

**18. *Risks associated with our information technology systems may adversely affect our business and results of operations.***

We leverage technology through our digital solutions such as the Entero Direct B2B application (“**Entero Direct**”), whereby our customers have real-time visibility of our product range, pricing, inventory levels, order status, outstanding balances and promotional offers. Our business relies heavily on our information systems to obtain, rapidly process, analyze, and manage data to facilitate the purchase and distribution of inventory items from numerous manufacturers; to receive, process, and ship orders on a timely basis; to account for other product and service transactions with customers; to manage the accurate billing and collections for customers; and to process payments to suppliers.

The risks associated with our information technology systems are set out below:

- *Our customers may be resistant towards adopting new technologies that we introduce from time to time. Further, we may not be able to adopt new technologies or adapt our platform to changing customer requirements or emerging industry trends.*

We continue to make substantial investments in our technology infrastructure, including investing in and enhancing our existing technological products such as the Entero Direct application, ERP systems, CRM application, Teqtic data warehouse and business intelligence tool, and other technological developments to support our customers and our operations. However, we cannot assure you that investments in our technology infrastructure will be successful, as our customers, a significant proportion of whom are retailers, may be resistant towards adopting new technologies that we introduce from time to time, especially since there is currently a relatively low level of digitalization rate and technology usage across retailers in the healthcare market in India. Further, if we fail to adopt new technologies or adapt our platform to changing customer requirements or emerging industry standards, our business and results of operations may be adversely affected.

- *A portion of our information systems are owned and managed by third-party service providers*

While Entero Direct is owned and managed by us, a portion of our information systems are owned and managed by third-party service providers, and our business and results of operations may be adversely affected if our information systems are not successfully implemented or fail, or to the extent there are data center interruptions. There might be an adverse impact on our business and results of operations if a third-party service provider does not perform satisfactorily, or if the information systems are interrupted or damaged by unforeseen events, including due to system integration issues and the actions of third parties.

- *Cyber-attacks or information security breaches*

Due to the proliferation of cloud-based infrastructure and other services, new technologies, and the increased sophistication and activities of perpetrators of cyber-attacks, there has been an increased risk associated with information technology systems. Any failure, interruption, or breach of our operational or information security systems, or those of our third-party service providers, as a result of cyber-attacks or information security breaches could disrupt our business, result in a breach, loss of and misuse of confidential, proprietary and personal data, damage our reputation, cause loss of customers or revenue, increase our costs, result in litigation and/or regulatory action, and/or cause other losses, any of which might have an adverse impact on our business operations and our financial position or results of operations. Further, it is important for us to continually upgrade our information technology systems and we may be required to expend additional resources in this regard. While we have not faced any such material past instances of cyber-attacks or information security breaches which has impacted our information technology system or our business in the past, there is no assurance that we will not encounter such instances in the future.

- *Our information technology systems may contain errors or bugs*

Further, during the course of our operations, given the complex nature of our information technology systems, they may contain errors or bugs which, if triggered, could have an adverse impact on our operations.

**19. *Failure to maintain optimal inventory levels could increase our operating costs or lead to unfulfilled customer orders, either of which could have an adverse effect on our business, financial condition, results of operations and prospects.***

We need to ensure optimal inventory levels and are exposed to inventory risk as a result of rapid changes in product life cycles, changing consumer preferences, uncertainty of product developments and launches, manufacturer back orders and other related problems as well as the general economic environment in India. There can be no assurance that we can accurately predict these trends and events and avoid over-stocking or under-stocking of products. Furthermore, we place orders for products based on demand forecast which could change significantly between the time when the products are ordered and the time when they are ready for delivery. If we overestimate customer demand, we may experience inventory surplus, which may, in turn result in obsolete and expired products if such excess inventory is not purchased by customers before the products become obsolete or expire, leading to a wastage of products and write-down in inventory. If we underestimate customer demand or if our suppliers fail to provide products to us or deliver products to our customers in a timely manner, we may experience inventory shortages, which may, in turn, result in unfulfilled customer orders, leading to an adverse effect on our customer relationships.

The table below sets forth our details relating to our inventory levels and inventory turnover ratio as of / for the periods/years indicated:

Particulars	As of / for the six months ended September 30, <sup>^</sup>		As of / for the year ended March 31,		
	2023	2022	2023	2022	2021
Inventory (₹ in millions)	3,874.64	3,254.77	3,416.28	3,101.64	2,439.26
Inventory levels (days)	33	34	34	40	45
Inventory turnover ratio*	5.95	5.32	11.34	10.18	9.09
Amount of inventory written down (₹ in millions)	-	-	-	116.59	301.48
Amount of inventory written down as a percentage of total inventory (%)	-	-	-	3.76%	12.36%

\*Inventory turnover ratio is computed by dividing revenue from operations (grossed up for GST) by average inventory. "Average inventory" is calculated as the average of inventory as at the end of financial year/period and inventory as at the end of previous financial year/period.  
<sup>^</sup>Not annualized

While we have not faced any such instances in the past, our failure to maintain proper inventory levels for our business may have an adverse effect on our business, financial condition, results of operations and prospects.

**20. *We might be adversely impacted by competition and industry consolidation.***

Although the Indian pharmaceutical distribution market remains very fragmented with traditional local distributors dominating the market with a market share of 90% to 92% (Source: CRISIL Report), the development of the industry could present a highly competitive global environment with strong competition from other distributors, service merchandisers, self-warehousing chain drug stores, manufacturers engaged in direct distribution, third-party logistics companies. According to CRISIL Report, for the Financial Year 2023, our market share (in terms of revenue from operations, which amounted to ₹33.00 billion for the Financial Year 2023) in the Indian pharmaceutical distribution and medical devices industry (with a total market size of ₹2,669.04 billion) was 1.24%. In addition, we face competition from other service providers, pharmaceutical and other healthcare manufacturers, pharmaceutical retailers, which may from time-to-time decide to develop, for their own internal needs, supply management capabilities that might otherwise be provided by our businesses. Further, due to any consolidation in the industry, a few large suppliers may control a significant share of the healthcare products market. This concentration may reduce our ability to negotiate favorable terms with suppliers and cause us to depend on a smaller number of suppliers. Consolidation by our customers, suppliers and competitors might reduce the number of market participants and give the remaining enterprises greater bargaining power, which might lead to erosion in our profit margin. This may create further competitive pressures on our healthcare products distribution business. Consolidation might increase counter-party credit risk because credit purchases increase for fewer market participants. These competitive pressures and industry consolidation might have an adverse impact on our business operations and our financial position or results of operations.

**21. *Changes in prescription drug pricing could adversely affect our operations and financial performance.***

For each of the Financial Years 2021, 2022 and 2023, and the six months ended September 30, 2022 and 2023, most of our revenue from operations was attributed to revenue from distribution of healthcare products to our customers, the manufacturing and sale of which is tightly regulated by various laws and regulations. While we have not faced any such instances in the past, any changes to such legislation could have a material adverse impact on our business, sales and profitability.

The sale of prescription drugs, medical devices and drug prices may be affected by changes to the health care industry, including legislative or other changes that impact patient eligibility, drug product eligibility, the allowable cost of a prescription drug product, the mark-up or channel margin permitted on a given prescription drug product, the amount of professional or dispensing fees paid by third-party payers or the provision or receipt of manufacturer allowances by pharmacy and pharmacy suppliers. Moreover, any changes to the price at which we and our customers purchase pharmaceutical products is determined by the Drugs (Prices Control) Order, 2013 (“DPCO”), promulgated by the Government of India and administered by the National Pharmaceutical Pricing Authority (“NPPA”). If a given pharmaceutical product falls within the DPCO, the product’s price could be significantly lower than what its market price would be without such price restriction. Any changes to these prices stipulated by the DPCO, NPPA or other similar authorities, or the inclusion of other of our pharmaceutical products not currently within the DPCO, could adversely impact purchases made by our customers, which could adversely impact our distribution business, and our operations.

**22. *Our profit margins may decrease if trade discounts given by our suppliers decrease in the future, which may adversely affect our financial condition, cash flows and results of operations.***

As the products that we procure from our suppliers are tagged with a maximum retail price, our profit margins are largely determined by the amount of trade discounts that are given by our suppliers to us. Our ability to negotiate trade discounts with our suppliers depends on a variety of factors, including volume of products procured and the duration of supply relationship. While we have not experienced any significant decrease in trade discounts given by any of our suppliers in the past, we cannot assure you that we will not face any such instances in the future, which will adversely affect our profit margins, financial condition, cash flows and results of operations.

**23. *There have been delays in compliance with certain provisions of the FEMA in relation to reporting our downstream investments.***

Our Company had received funding from its foreign investor shareholders, which was thereafter utilized to make downstream investments towards acquisition of its Subsidiaries. Our Company, as a foreign-owned or controlled company, was required to file form DI in respect of its downstream investments in each of our Subsidiaries from

FY 2019 to FY 2023, as it is a foreign controlled and/ or owned entity. Such filing of form DI was required to be made within 30 days of each of the allotments of equity shares of our downstream investments in our Subsidiaries pursuant to Regulation 4(11)(b) of the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019. Our Company did not file the form DI for such investments within the prescribed time period for a variety of reasons, including COVID-19.

Our Company had (i) filed an application for compounding to the RBI for such delay pursuant to our letter dated July 25, 2023, for the downstream investments made in 17 of our Subsidiaries, and (ii) filed the form DI with a late filing fee for downstream investments made in 21 of our Subsidiaries. Our Company has received the compounding order from RBI dated January 4, 2024, and has paid the requisite fee.

We cannot assure you that there will be no such delays will not happen in the future and that our Company will not be subject to any action, including monetary penalties by statutory authorities on account of any inadvertent discrepancies in, or non-availability of, or delays in required filings.

**24. *Our Company will not receive any proceeds from the Offer for Sale.***

The Offer comprises of a Fresh Issue of 7,955,769<sup>#</sup> Equity Shares by our Company aggregating to ₹10,000<sup>#</sup> million and an Offer for Sale of 4,769,475<sup>#</sup> Equity Shares aggregating to ₹6,000<sup>#</sup> million by the Selling Shareholders. The entire proceeds from the Offer for Sale (after deducting applicable Offer expenses) will be paid to the Selling Shareholders in proportion of the Equity Shares offered by the Selling Shareholders in the Offer for Sale, and our Company will not receive any proceeds from the Offer for Sale. For further details, see “**Objects of the Offer – Offer Related Expenses**” beginning on page 127.

<sup>#</sup>Subject to finalisation of Basis of Allotment

**25. *Some of our Subsidiaries have availed unsecured loans in the form of loan from their directors or inter-corporate deposits. If such unsecured loans are recalled at any time, it may adversely affect our financial condition and results of operations.***

Some of our Subsidiaries have availed unsecured loans in the form of loan from their directors or inter corporate deposits. These loans availed may be recalled at any time at the option of the lender. In the event that such loans are called for a repayment, we would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. As a result, if such unsecured loans are recalled at any time, it may adversely affect our profitability, financial condition and results of operations. Further, in the event that any of our Subsidiaries are unable to repay the inter-corporate deposits taken from our Company, our Company may not be able to repay its own secured loans when due, which may adversely affect our profitability, financial condition and results of operations.

**26. *We operate in a highly fragmented industry, and as a result, we may not be able to successfully expand our market share.***

The Indian pharmaceutical distribution market remains very fragmented with traditional local distributors dominating the market with a market share of 90% to 92% (Source: CRISIL Report). In the past, we have grown our business through organic and inorganic means. Since the inception of our Company in the Financial Year 2018, we have acquired 34 entities in the healthcare products distribution industry. Our ability to acquire smaller distributors has been instrumental to our ability to expand our geographic reach and increase wallet share from our customers. However, as we operate in a highly fragmented industry, we may need to continue to acquire smaller distributors in every geography that we intend to expand into in the future, which may cause us to incur substantial resources, and in turn, have an adverse impact on our business operations, financial condition and results of operations. Further, we may face significant competition from traditional local distributors, which may hinder our planned expansion of market share through increases in customer base, wallet share and geographic penetration, and in turn, adversely impact our business operations, financial condition and results of operations. For details relating to competition, see “- **We might be adversely impacted by competition and industry consolidation**” on page 54.

27. *We are dependent on the continued services and performance of our key managerial personnel, senior management and other key employees, the loss of any of whom could adversely affect our business, operating results and financial condition.*

Our business operations are led by an experienced and driven team, comprised of professionals with experience in healthcare and retail industries. Our Promoter, Managing Director and Chief Executive Officer, Prabhat Agrawal, and our Promoter, Whole-time Director and Chief Operating Officer, Prem Sethi, both with extensive experience in our industry, play instrumental roles in the strategic direction and growth of our business. For details relating to changes in our Key Managerial Personnel and Senior Management, see “*Our Management – Changes in the Key Managerial Personnel and Senior Management during the Last Three Years*” on page 272. Our future performance depends on the continued services and contributions of our co-founders, our senior management and other key employees to execute on our business plan and to identify and pursue new opportunities and product innovations. The following table sets forth our average number of employees for the periods/years indicated:

Particulars	For the six months ended September 30,		For the year ended March 31,		
	2023	2022	2023	2022	2021
Average number of employees*	3,111	2,947	2,958	2,508	2,016

\*Average number of employees denotes the sum of the number of employees at the beginning of the period/fiscal year and the end of the period/fiscal year, divided by two.

The following table sets forth our employee benefits expense for the periods/years indicated:

Particulars	For the six months ended September 30,				For the Financial Years					
	2023		2022		2023		2022		2021	
	(₹ in millions)	% of revenue from operations	(₹ in millions)	% of revenue from operations	(₹ in millions)	% of revenue from operations	(₹ in millions)	% of revenue from operations	(₹ in millions)	% of revenue from operations
Employee benefits expense	733.26	3.87%	656.67	4.15%	1,281.40	3.88%	1,148.06	4.55%	759.42	4.27%

The failure to properly manage succession plans and/or the loss of services of senior management or other key employees could significantly delay or prevent the achievement of our strategic objectives. The loss of the services of one or more of our senior management or other key employees for any reason could adversely affect our business, financial condition and operating results and require significant amounts of time, training and resources to find suitable replacements and integrate them within our business, and could affect our corporate culture.

28. *A majority of Directors on our Board do not have prior experience of directorship in any of companies listed on recognized stock exchanges, therefore, they will be able to provide only a limited guidance in relation to the affairs of our Company post listing.*

Except for Sujesh Vasudevan, our Chairperson and Non-Executive, Independent Director, our remaining Directors do not have prior experience as directors of companies listed on recognized stock exchanges. While our Directors have experience in the healthcare and retail industries, directors of listed companies have a wide range of responsibilities, including, among others, ensuring compliance with continuing listing obligations, monitoring and overseeing management, operations, financial condition and trajectory of the company. We cannot assure you that our Directors will be able to adequately manage our Company after we become a listed company, due to their lack of prior experience as directors of companies listed on recognized stock exchanges. Accordingly, we will get limited guidance from them and accordingly, may fail to maintain and improve the effectiveness of our disclosure controls, procedures and internal control as required for a listed entity under the applicable law.



**29. Any disruption to the operation of our warehouses, or to the development of new warehousing and logistics facilities, could have an adverse effect on our business, financial condition and results of operations.**

We have a nationwide presence of 77 distribution warehouses located across India as of September 30, 2023. Natural disasters or other unanticipated catastrophic events (including power interruptions, water shortage, storms, fires, earthquakes, terrorist attacks and wars, as well as changes in governmental planning for the land underlying these facilities) may cause significant disruption to the operation of our warehouses, and/or to the development of new warehousing and logistics facilities. For example, natural disasters or unanticipated catastrophic events may damage the inventories stored in our warehousing and logistics facilities, which may in turn significantly impair our business operations. While we have not faced any such material instances of damage to inventories stored in our warehousing and logistics facilities due to natural disasters or unanticipated catastrophic events in the past, we cannot assure you that we will not experience such disruptions in the future. If our warehousing and logistics facilities are rendered unusable as a result of natural disasters, unanticipated catastrophic events or any other reason, our business, financial condition and results of operations may be adversely affected. We may not be able to source for alternative warehousing and logistics facilities, as warehousing and logistics facilities that meet the requirements of modern logistics operations for guaranteed storage safety, optimal and flexible space utilization and high operational efficiency are in short supply. We can provide no assurance that we will be able to find suitable replacement sites on terms acceptable to us on a timely basis, or at all, or that we will not be subject to material liability resulting from third parties' challenges on our use of such properties. Further, our insurance coverage may not be sufficient to cover the impact of these disruptions. For details, see “- We are subject to operational and logistical risks and our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject.” on page 59.

**30. There are outstanding legal proceedings involving us, our Subsidiaries, our Directors and our Promoters.**

There are outstanding legal proceedings involving us, our Subsidiaries, our Directors and our Promoters. These proceedings are pending at different levels of adjudication before various judicial authorities, from which further liability may arise. The amounts involved in these proceedings have been summarized to the extent ascertainable and quantifiable. For further details, see “*Legal and Other Information – Outstanding Litigation and Material Developments*” on page 475.

A summary of outstanding litigation proceedings involving our Company, our Subsidiaries, Directors and our Promoters as on the date of this Prospectus is provided below. As on date of this Prospectus, there are no outstanding litigations involving our Group Companies, which may have a material impact on our Company.

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters	Material civil litigations	Aggregate amount involved* (₹ in million)
<b>Company</b>						
By the Company	34	Nil	N.A.	N.A.	Nil	24.10
Against the Company	1	1	3	N.A.	Nil	0.67
<b>Directors</b>						
By the Directors	Nil	Nil	N.A.	N.A.	1	N.A.
Against the Directors	1	2	Nil	N.A.	Nil	4.89
<b>Promoters<sup>s</sup></b>						
By the Promoters	Nil	Nil	N.A.	N.A.	Nil	N.A.
Against the Promoters	1	2	Nil	Nil	Nil	4.89
<b>Subsidiaries</b>						
By the Subsidiaries	69	Nil	N.A.	N.A.	Nil	54.09
Against the Subsidiaries	1	7	3	N.A.	1	16.34

\*To the extent quantifiable.

<sup>5</sup>As on the date of this Prospectus, outstanding litigation involving our Promoters also reflect outstanding litigation involving our Directors as our Individual Promoters are also Directors of the Company

For further details of the outstanding litigation proceedings, see “**Outstanding Litigation and Other Material Developments**” on page 475.

In relation to such outstanding litigation matters involving our Company, Subsidiaries, Directors and Promoters, the amounts and interests involved in many pending litigations are not ascertainable or quantifiable and are hence not disclosed. We cannot assure you that any of these proceedings will be decided in favor of our Company, Subsidiaries, Directors and Promoters, or that no further liability will arise out of these proceedings. Such proceedings could, however, divert management time and attention, and consume financial resources in their defense or prosecution. Further, an adverse outcome in any of these proceedings may affect our reputation, standing and future business, and could have an adverse effect on our business, prospects, financial condition and results of operations.

**31. We might be adversely impacted by changes or disruptions in product supply, which may lead to a loss of customers.**

We have no control over the supply of products from manufacturers, which could be impacted due to a number of factors, including but not limited to labor disputes, unavailability of key manufacturing sites, inability of manufacturers to procure raw materials, quality control concerns, ethical sourcing issues, financial distress of manufacturers, natural disasters, civil unrest or acts of war. Our revenues and profitability could also be significantly reduced due to the changes in the healthcare industry’s or our manufacturer’s pricing, selling, inventory, distribution or supply policies or practices. Further, over the past three financial years, purchases of products from a generic drugs manufacturer have contributed to a material portion of our total purchases of stock-in-trade. Any dispute with the manufacturer or disruption in the supply of products by the manufacturer could impact our ability to fulfil orders from our customers.

Any of these changes or disruptions might lead to a loss of customers, and have an adverse impact on our business operations, reputation, financial condition and results of operations.

**32. We might be unable to successfully recruit and retain qualified employees, which may have an adverse impact on our business operations, financial position and results of operations.**

Our ability to attract, engage, develop and retain qualified and experienced employees, including key executives and other talent, is essential for us to meet our objectives. To attract and retain employees, we compete with many other businesses in the healthcare products distribution sector in India. Such competition could result in increased salaries, benefits or other employee-related costs, or in our failure to recruit and retain employees. We may also experience sudden loss of key personnel due to a variety of causes, such as illness, and are required to adequately plan for succession of key management roles. Further, employees might not successfully transition into new roles. For details relating to our employees, see “*Our Business – Description of our Business – Human Resources*” on page 199.

The table below sets forth details relating to our employee attrition rates as of / for the periods/years indicated:

Particulars	As of / for the six months ended September 30,		As of / for the year ended March 31,		
	2023	2022	2023	2022	2021
Number of employees	3,181	3,018	3,041	2,875	2,141
Employee attrition rate for the year (%)*	19.61%	24.13%	46.52%	44.02%	37.85%

\*Employee attrition rate is calculated as number of permanent employees attrited as a percentage of number of average permanent employees (%). “Average permanent employees” is calculated as the average of number of permanent employees as at the end of financial year and number of permanent employees as at the end of the previous financial year.

Any of these risks might have an adverse impact on our business operations, financial position and results of operations. As a result, our success will depend in large part on our ability to recruit and retain skilled managerial and other personnel.

**33. We are subject to operational and logistical risks and our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject.**

Our insurance covers, among others, material damage to plant and machinery, furniture, fixtures, fittings and stock. We also maintain a marine cargo open policy that insures transit of commodities by sea, air, rail, road and courier. We also have, amongst others, a group mediclaim policy and directors and officers liability insurance policy. As of September 30, 2023, the insurance cover on our assets (excluding intangible assets, goodwill, right of use, deferred tax assets and bank balances) was ₹9,585.92 million, covering 79.87% of our total assets (excluding intangible assets, goodwill, right of use, deferred tax assets and bank balances).

Although we seek to maintain adequate insurance coverage, coverage on acceptable terms might be unavailable, or might not cover our losses. We generally seek to limit our contractual exposure, but limitations of liability or indemnity provisions in our contracts may not be enforceable or adequately protect us from liability. Uninsured losses might have an adverse impact on our business operations and our financial position or results of operations.

**34. Our Registered Office and Corporate Office, and all of our warehouse premises are leased by us, and any termination, non-renewal or failure to enforce, register or adequately stamp our lease agreements in connection with these premises could adversely affect our operations.**

Our Registered Office and Corporate Office, and all of our warehouse premises are held by us on a leasehold basis. The term of such lease arrangements ranges from 11 months to nine years. Except for a few lessors who are also directors of certain of our Subsidiaries and a lessor who is the relative of the director of another Subsidiary, all other lessors under such lease arrangements are not related, directly or indirectly, to our Promoters, Promoter Group, Key Managerial Personnel, Senior Management or our Company, Subsidiaries or Group Company. The lease arrangements entered into between the lessors who are also directors of certain of our Subsidiaries, and us, are on arm's length basis. Upon the expiry or termination of such leases, we will be required to vacate the premises, unless the leases are renewed. If our lease agreements expire and are not renewed by us within the time stipulated under any such agreement, we will be required to vacate such premises, and may be required to identify alternative premises at less favorable terms and conditions. While the lease deed for our warehouse located at Thane had expired on January 1, 2024 and the warehouse of our Subsidiary, Sri Rama Pharmaceutical Distributors Private Limited, has expired on January 22, 2024 and are currently in the process of renewal, we have not been required to vacate the premises and the warehouses continue to be operational. We cannot assure you that this lease deed will be renewed, and any failure to do so will require us to vacate the premises and identify alternative premises at less favorable terms of conditions. In addition, an inability to secure and renew leases for warehouses in prime locations at competitive terms could result in a loss of business, time overruns and may adversely affect our operations and profitability. While there have been no instances during the last three Financial Years and the six months ended September 30, 2023, where we have been unable to secure and renew leases for warehouses at competitive terms, we cannot assure you that such instances may not occur in the future. Further, the lease deeds for our properties may not be registered, stamped or adequately stamped and consequently, may not be accepted as evidence in a court of law and we may be required to pay penalties for non-registration and non-payment of or inadequate stamp duty. For instance, the lease deed for the land leased by our Subsidiary, Sessa Balaji Medisolutions Private Limited was not stamped and registered which may affect the enforceability of the lease. Further, the lease deed for the land leased for 55 of our warehouses are not stamped and registered. While there have been no instances where our business has been affected during the last three Financial Years and the six months ended September 30, 2023 due to any of our lease deeds not being registered, stamped or adequately stamped, we cannot assure you that such instances may not occur in the future.

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

As of September 30, 2023, our contingent liabilities and commitments are set forth in the table below:

Nature of Contingent Liability and Commitments	As at September 30, 2023
	(₹ in millions)
Claims not acknowledged as debts:	
(i) Income tax	2.07
(ii) Indirect tax	0.77

Nature of Contingent Liability and Commitments	As at September 30, 2023
	(₹ in millions)
Bank guarantees	0.12
<b>Total</b>	<b>2.96</b>


We cannot assure you that we will not incur similar or increased levels of contingent liabilities and commitments in the future. If any of these contingent liabilities materialize, our financial condition may be adversely affected.

**36. *The Pro Forma Financial Information included in this Prospectus is not indicative of our future financial condition or results of operations and may also not be indicative of our actual results of operations.***

The Pro Forma Financial Information included in this Prospectus addresses a hypothetical situation and does not represent our actual consolidated financial condition or results of operations, and is not intended to be indicative of our future financial condition and results of operations. The adjustments set forth in the Pro Forma Financial Information are based upon available information and assumptions that our management believes to be reasonable.

As the Pro Forma Financial Information is prepared for illustrative purposes only, it is, by its nature, subject to change and may not give an accurate picture of the actual financial results that would have occurred had such transactions by us been effected on the dates they are assumed to have been effected, and is not intended to be indicative of our future financial performance. Our Pro Forma Financial Information does not include all of the information required for financial statements under Ind AS and should be read in conjunction with the “**Pro forma Financial Information - Basis of Preparation of the Pro Forma Financial Information**” beginning on page 410. Further, our Pro Forma Financial Information were not prepared in connection with an offering registered with the U.S. Securities and Exchange Commission (“SEC”) under the U.S. Securities Act and consequently do not comply with the SEC’s rules on presentation of pro forma financial information. Accordingly, investors should not unduly rely on our Pro Forma Financial Information. If the various assumptions underlying the preparation of the Pro Forma Financial Information do not come to pass, our actual results could be materially different from those indicated in the Pro Forma Financial Information. Accordingly, the Pro Forma Financial Information included in this Prospectus is not intended to be indicative of expected results or operations in the future periods or the future financial position of our Company or a substitute for our past results, and the degree of reliance placed by investors on our Pro Forma Financial Information should be limited.

**37. *If we are unable to obtain, protect or use our intellectual property rights, our business may be adversely affected.***

We have 102 registered trademarks, out of which a rectification has been filed against one trademark, 15 opposed trademarks, 41 objected trademarks, 10 abandoned trademarks, 20 accepted and advertised trademarks, 2 accepted trademarks and 6 refused trademarks. Our intellectual property rights and domain names may expire, and we cannot assure you that we will be able to renew them after expiry. Certain of our intellectual property rights, including those for certain products that we currently sell, are either objected to or are otherwise under dispute. If any of these trademarks are registered in favor of a third party, we may not be able to claim registered ownership of such trademarks, and consequently, we may be unable to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities. Our inability to obtain or maintain these registrations may adversely affect our competitive position and, in turn, our business, financial condition and results of operations. We do not have domain name registration for our Entero Direct web domain, <https://www.enterodirect.com>. Further, our application for the registration of our erstwhile name, “*Entero Healthcare Solutions Private Limited*” and logo has been opposed. While we have filed a counter statement, the matter has not been decided. In case we are not able to successfully register our name logo, we may face risks of third parties using our name and logo. Further, we have made trademark applications for the logo and of our Company ( Entero) under classes 1, 3, 5, 10, 16 35, 41 and 44 of the Trademarks Act, 1999. For further details, see “**Government and Other Approvals – Intellectual Property**” on page 485.

While we intend to defend against any threats to our intellectual property, we cannot assure you that our intellectual property rights can be adequately protected in a timely manner. We are also exposed to the risk that other entities may pass off their products as ours by imitating our brand names, packaging material and attempting to create counterfeit products. We believe that there may be other companies or vendors which operate in the

unorganized segment using our tradename or brand names. We rely on protections available under Indian law, which may not be adequate to prevent unauthorized use of our intellectual property by third parties. Furthermore, the application of laws governing intellectual property rights in India is uncertain and evolving, and could involve substantial risks to us. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business. We have not faced any material past instances of infringement of our intellectual property rights.

Further, while we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights which may force us to alter our offerings. If such claims are raised against us in the future, they could result in costly litigation, divert management's attention and resources, subject us to significant liabilities and require us to enter into potentially expensive royalty or licensing agreements or to cease use of certain of our brands, can result in significant damages being awarded and injunctions that could prevent the manufacture and sale of the relevant products. Any of the foregoing could have an adverse effect on our business.

**38. *Disruption or other changes in capital and credit markets might impede access to credit and increase borrowing costs for us and our customers and suppliers.***

Our borrowing ability and cost of borrowing could be adversely affected due to the volatility and disruption in global capital and credit markets, including the bankruptcy or restructuring of certain financial institutions, reduced lending activity by financial institutions, or decreased liquidity and increased costs in the commercial paper market. We generally sell our products and services under short-term unsecured credit arrangements to our customers. However, an adverse change in general economic conditions or access to capital might cause our customers to reduce their purchases from us, or may lead to delays or a failure in paying amounts due to us. Suppliers might increase their prices, reduce their output or change their terms of sale due to limited availability of credit, and could be unable to make payments due to us for fees, returned products or incentives. Further, any changes in the interest rate or capital market conditions might impede our or our customers' or suppliers' ability or cost of obtaining credit. Any of these risks might have a material adverse impact on our business operations and our financial position or results of operations.

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

Our operations are subject to extensive laws and government regulations, including in relation to safety, health and environmental protection. We and our contract manufacturers for our private label products are subject to the laws and regulations governing relationships with employees in areas such as minimum wages, maximum working hours, overtime, working conditions, hiring and termination of employees, contract labour, work permits, maintenance of regulatory and statutory records and making periodic payments. See "***Key Regulations and Policies in India***" on page 201. While we have not faced any material instances in the past, a failure to comply with such regulations could lead to enforced shutdowns and other sanctions imposed by the relevant authorities on. As a result, we may become involved or liable in litigation or other proceedings, incur increased costs or penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business and results of operations.

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

In addition, we are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in India, generally for carrying out our business. A majority of these approvals are granted for a limited duration and require renewal. Further, while we have applied for some of these approvals, we cannot assure you that such approvals will be issued or granted to us in a timely manner, or at all. If we do not receive such approvals or are not able to renew the approvals in a timely manner, our business and operations may be adversely affected. The FSSAI registration for our Gala no. 2 to 5 Bhiwandi branch, is a material approval for which application is currently pending before relevant authorities. For details of such approvals, including the approvals and registrations that we have applied for and are pending renewal, see “*Government and Other Approvals*” on page 483.

**40. *Our business may be adversely affected by adverse news or other incidents associated with the Indian healthcare industry.***

As a healthcare products distribution company in India, incidents that reflect doubt as to the quality or safety of healthcare products manufactured and sold in the Indian healthcare industry have been, and may continue to be, subject to widespread media attention. For example, in the past, there has been negative publicity relating to proposed and actual bans on online pharmacies in certain markets. Industry bodies have also lobbied against and issued warnings to online pharmacies, and have complained to drugs controllers and other authorities. Such incidents may, directly or indirectly, damage our reputation, even if such incidents have no relation to us, our management, our employees, our suppliers and our manufacturers.

**41. *We may not be able to detect or prevent fraud or other misconduct committed by our employees or third parties or on our platform.***

Fraud or other misconduct by our employees, such as unauthorized business transactions, bribery and breach of any applicable law or our internal policies and procedures, or by third parties, such as breach of law may be difficult to detect or prevent. It could subject us to financial loss and sanctions imposed by governmental authorities while seriously damaging our reputation. This may also impair our ability to effectively attract prospective stakeholders, develop customer loyalty, obtain financing on favorable terms and conduct other business activities. There can be no assurance that the measures we have implemented to detect and reduce the occurrence of fraudulent activities would be effective in combating fraudulent transactions or improving overall satisfaction among our stakeholders. While we have not faced any material instances in the past, any such event could adversely affect our business, reputation, financial condition and prospects.

**42. *Some of our Directors and Promoters have interests in entities engaged in businesses similar to ours.***

Certain of our Directors and Promoters are associated with companies engaged in similar lines of business, in the capacity of being directors and/or shareholders on the board of our Subsidiaries, which may lead to conflicts of interest. Our Subsidiaries have common pursuits with our Company and each other. They are either engaged in or are authorized by their respective constitutional documents to engage in the same line of business as that of our Company and each other. However, as our Subsidiaries do not compete with our Company, there is no conflict of interest. Further, our Company and our Subsidiaries will adopt the necessary procedures and practices, as permitted by law, to address any conflict situation as and when they arise. For details, see “*Our Management – Interest of Directors*”, “*History and Certain Corporate Matters - Common Pursuits between our Subsidiaries and our Company*” and “*Our Promoters and Promoter Group – Interests of Promoters and Related Party Transactions*” on pages 255, 234, and 275 respectively.

**43. *We have, in the past, entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.***

We have entered into various transactions with related parties. While the related party transactions entered into by us in the past were at arm’s length and in compliance with Companies Act, 2013 and other applicable laws, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is likely that we may enter into related party transactions in the future. Although all related party transactions that we may enter into post-listing, will be subject to the Board or Shareholders approval, as necessary under the Companies Act and the SEBI Listing Regulations, we cannot assure you that such future transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favourable terms if such transactions had not been entered

into with related parties. For details of the related party transactions see “*Summary of the Offer Document – Summary of Related Party Transactions*” and “*Other Financial Information –Related Party Transactions*” on pages 32 and 396, respectively.

44. ***There have been certain instances of delays in payment of certain statutory dues by us. Any further delays in payment of statutory dues may attract financial penalties from the respective government authorities and in turn may have a material adverse impact on our financial condition and cash flows.***

During the last three Financial Years and the six months ended September 30, 2023, we have had certain instances of delays in the payment of certain statutory dues with respect to GST and employee provident fund contributions which have all been paid as on the date of this Prospectus.

These delays were primarily due to the COVID-19 pandemic and other administrative and technical issues. There can be no assurance that such delays may not arise in the future. Such delays may lead to financial penalties from respective government authorities which may have a material adverse impact on our financial condition and cash flows.

45. ***Our Promoters, Directors, Key Management Personnel and Senior Management may have interests other than the reimbursement of expenses incurred and receipt of remuneration or benefits from our Company.***

Certain of our Promoters, Directors, Key Management Personnel and Senior Management are interested in us, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding, CCPS, direct and indirect, and our stock options and benefits arising therefrom. For example, our Promoters and Directors, Prabhat Agrawal and Prem Sethi, were entitled to an adjustment to their respective CCPS conversion ratios under the third addendum to the Shareholders Agreement. For further details, see “*Our Management – Interest of Directors*”, “*Our Management – Key Managerial Personnel of our Company*”, “*Our Management – Senior Management of our Company*”, and “*Our Promoters and Promoter Group – Interests of Promoters and Related Party Transactions*” on pages 255, 270, 270, and 275 respectively.

46. ***The significant differences between the Indian Accounting Standards (Ind AS) used to prepare our financial information and other accounting principles, such as the United States Generally Accepted Accounting Principles (U.S. GAAP) and the International Financial Reporting Standards (IFRS), may affect investors’ assessments of our Company’s financial condition.***

Our Restated Consolidated Financial Statements for Financial Years 2021, 2022 and 2023, and the six months ended September 30, 2022 and 2023, included in this Prospectus are prepared under Ind AS, which differs from accounting principles with which prospective investors may be familiar, such as Indian GAAP, IFRS and U.S. GAAP.

Accordingly, the degree to which the Restated Consolidated Financial Statements and financial information included in this Prospectus, will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Persons not familiar with Indian accounting practices, Ind AS, the Companies Act and the SEBI ICDR Regulations should limit their reliance on the financial disclosures presented in this Prospectus.

47. ***This Prospectus contains information from third parties and from the CRISIL Report prepared by CRISIL, which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.***

The industry and market information contained in this Prospectus includes information that is derived from the CRISIL Report dated November 2023 prepared by an independent third-party research agency, CRISIL. Our Company has commissioned CRISIL pursuant to the engagement letter dated June 28, 2023. Neither we nor any of our Promoters, our Directors, our Key Managerial Personnel, our Senior Management or the BRLMs are related parties of CRISIL. The CRISIL Report has been commissioned and paid for by us for the purposes of confirming our industry exclusively in connection with the Offer. The report uses certain methodologies for market sizing and forecasting, and may include numbers relating to our Company that differ from those we record internally. Accordingly, investors should read the industry-related disclosure in this Prospectus in this context. Industry

sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. 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. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Prospectus. While these industry sources and publications may take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data.

Given the scope and extent of the CRISIL Report, disclosures are limited to certain excerpts and the CRISIL Report has not been reproduced in its entirety in this Prospectus. The CRISIL Report was available on the website of our Company at <https://www.enterohealthcare.com/investor/initial-public-offer/industry-report.php>. Further, the CRISIL Report is not a recommendation to invest / disinvest in any company covered in the CRISIL Report. Accordingly, prospective investors should not place undue reliance on, or base their investment decision solely on this information. You should consult your own advisors and undertake an independent assessment of information in this Prospectus based on, or derived from, the CRISIL Report before making any investment decision regarding the Offer. For details, see “**Industry Overview**” on page 145. For the disclaimers associated with the CRISIL Report, see “**Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation- Industry and Market Data**” on page 22.

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

In accordance with Section 13(8) and Section 27 of the Companies Act, we cannot change the utilization of the Net Proceeds or the terms of any contract as disclosed in this Prospectus without obtaining the Shareholders’ approval through a special resolution. We may not be able to obtain the Shareholders’ approval in a timely manner, or at all, in the event we need to make such changes. Any delay or inability in obtaining such Shareholders’ approval may adversely affect our business or operations.

Further, as required under Section 27 of the Companies Act, our Promoters would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by SEBI. The requirement to provide an exit opportunity to such dissenting shareholders may deter our Promoters from agreeing to any changes made to the proposed utilization of the Net Proceeds, even if such change is in our interest. Further, we cannot assure you that our Promoters will have adequate resources to provide an exit opportunity at the price prescribed by SEBI. For further details on exit opportunity to dissenting shareholders, see “**Objects of the Offer — Variation in Objects**” on page 129. In light of these factors, we may not be able to undertake variation of object of the Offer to use any unutilized proceeds of the Offer, if any, or vary the terms of any contract referred to in this Prospectus, even if such variation is in our interest. This may restrict our ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of the Net Proceeds, if any, or varying the terms of any contract, which may adversely affect our business, results of operations and cash flows.

**49. After the completion of the Offer, our Promoters will continue to collectively hold substantial shareholding in our Company.**

Following the completion of the Offer, our Promoters will continue to hold approximately 52.43% of our post-Offer Equity Share capital, for details of their shareholding pre and post Offer, see “**Capital Structure**” on page 93. This concentration of ownership may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult without the support of our Promoters. The interests of our Promoters could conflict with our interests or the interests of our other shareholders. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

**50. We have, in the last 12 months, issued Equity Shares at a price that could be lower than the Offer Price.**

We have, in the last 12 months prior to filing this Prospectus, issued Equity Shares at a price that could be lower than the Offer Price. For further details, see “**Capital Structure – Notes to Capital Structure – Share Capital History – History of Equity share capital of our Company**” on page 95.



## EXTERNAL RISKS

### Risks related to India

**51. *If public spending on healthcare services in India stagnates or does not increase, demand for our products and services may decrease, which may adversely affect our business, cash flows, financial condition and results of operations.***

India's public spending on healthcare services is much lower than that of its global peers (Source: CRISIL Report). As demand for our products and services is related to public spending on healthcare services in India, we may experience a decrease in demand for our products and services if public spending on healthcare services in India stagnates or does not increase. A decrease in demand for our products and services may limit our ability to grow and scale our business, which in turn may adversely affect our business, cash flows, financial condition and results of operations.

**52. *A downgrade in ratings of India may affect the trading price of the Equity Shares.***

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

**53. *Our business is affected by economic, political and other prevailing conditions in India and the markets we currently serve.***

The Indian economy and the markets are influenced by economic, political and market conditions in India and globally. The Issuer is incorporated in India, and all of our assets and employees are located in India. As a result, we are dependent on prevailing economic conditions in India and our results of operations are affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, include, among others:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, or change in India's credit rating, resulting in an adverse effect on economic conditions in India and scarcity of financing of our developments and expansions;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies, such as application of GST;
- strikes, lock-outs, work stoppages or increased wage demands by employees, suppliers or other service providers;
- political instability, civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war in India or in countries in the region or globally, including in India's various neighboring countries;
- man-made or natural disasters such as earthquakes, tsunamis, floods and droughts, as well as the effects of climate change;

- other significant regulatory or economic developments in or affecting India or its financial services sectors;
- infectious disease outbreaks or other serious public health concerns, such as the COVID-19 pandemic, the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine. A worsening of the current COVID-19 pandemic or any similar future outbreaks of COVID-19, avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region.

Our performance and the growth of our business depend on the performance of the Indian economy and the economies of the regional markets we currently serve. Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, financial condition and results of operations and the trading price of the Equity Shares.

**54. *Changing laws, rules and regulations and legal uncertainties across the multiple jurisdictions we operate in may adversely affect our business, financial condition and results of operations.***

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

For instance, GoI has announced the Union Budget for the Financial Year 2023-24 pursuant to which the Finance Act, 2023 has introduced various amendments to taxation laws in India. Unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

In India, the Supreme Court, in a judgment delivered on August 24, 2017, has held that the right to privacy is a fundamental right. Following this judgment, the Government of India is considering the enactment of the Digital Personal Data Protection Bill, 2023 on personal data protection for implementing organizational and technical measures in processing personal data and lays down norms for cross-border transfer of personal data and to ensure the accountability of entities processing personal data. The enactment of the aforesaid bill may introduce stricter data protection norms for a company such as us and may impact our processes.

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

Unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations, financial condition, cash flows and prospects. Uncertainty in the application, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason

of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our businesses in the future.

**55. *Investors may have difficulty enforcing foreign judgments against us or our management.***

The Company is a limited liability company incorporated under the laws of India. All of our directors and executive officers are residents of India. A substantial portion of our assets and the assets of our Directors and executive officers resident in India is located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons outside India or to enforce judgments obtained against us or such parties outside India.

Recognition and enforcement of foreign judgments is provided for under Sections 13, 14 and Section 44A of the Code of Civil Procedure, 1908. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as the United Kingdom, United Arab Emirates, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the Indian Code of Civil Procedure, 1908. The CPC only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties and does not apply to arbitration awards (even if such awards are enforceable as a decree or judgment). Judgments or decrees from jurisdictions which do not have reciprocal recognition with India, including the United States, cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be directly enforceable in India. However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with the public policy in India. Further, there is no assurance that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner.

**Risks Related to the Offer**

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

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

**57. *Our Equity Shares have never been publicly traded, and after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the Offer Price may not be indicative of the market price of the Equity Shares after the Offer.***

Prior to the Offer, 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 Offer. 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 determination of the Price Band was based on various factors and assumptions, and was determined by our Company in consultation with the Book Running Lead Managers. The Offer Price of the Equity Shares is proposed to be determined by our Company in consultation with the Book Running Lead Managers, through a book-building process. The Offer Price will be based on numerous factors, including factors as described under “**Basis for Offer Price**” beginning on page 131, and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. Further, the current market price of some securities listed pursuant to certain previous issues managed by the Book Running Lead Managers is below their respective issue prices. For further details, see “**Other Regulatory and Statutory Disclosures — Price information of past issues handled by the BRLMs (during the current financial year and the two financial years preceding the current financial year)**” on page 495. The market price of our Equity Shares may be subject to significant fluctuations in response to, among other factors:

- results of operations that vary from the expectations of research analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- conditions in financial markets, including those outside India;
- a change in research analysts’ recommendations;
- announcements by us or our competitors of new products, significant acquisitions, strategic alliances or joint operations;
- claims or proceedings by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations or changes in laws and governmental regulations applicable to our industry;
- developments relating to our peer companies;
- additions or departures of Key Managerial Personnel; and
- general economic and stock market conditions.

There has been significant volatility in the Indian stock markets in the recent past, and 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, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. Consequently, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

**58. *Investors may be subject to Indian taxes arising out of income from capital gains and stamp duty on the sale of the Equity Shares and on the payment of dividends.***

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. Investors may be subject to payment of long-term or short term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more or less than 12 months immediately preceding the date of transfer. While non-residents may claim tax treaty benefits in relation to such capital gains income, generally, Indian tax treaties do not limit India’s right to impose a tax on capital gains arising from the sale of shares of an Indian company.

In terms of the Finance Act, 2018, with effect from April 1, 2018, taxes payable by an assessee on the capital gains arising from transfer of long-term capital assets (introduced as Section 112A of the Income-Tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 10%, where the long-term capital gains exceed ₹100,000, subject to certain exceptions in case of resident individuals and Hindu Undivided Families. The stamp duty for transfer of certain securities, other than debentures, on a delivery basis is currently specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. There is no certainty on the impact of Finance Act, 2022 on tax laws or other regulations, which may adversely affect the Company's business, financial condition, results of operations or on the industry in which we operate. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares.

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

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors were required to pay the Bid Amount on submission of the Bid and were not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. While we are required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including Allotment pursuant to the Offer within three Working Days from the Bid/Offer Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Bidders' ability to sell the Equity Shares allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline upon listing. QIBs and Non-Institutional Bidders will therefore not be able to withdraw or lower their bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or otherwise, between the dates of submission of their Bids and Allotment.

**60. *The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.***

The Offer Price of the Equity Shares has been determined by our Company in consultation with the Book Running Lead Managers, through a book-building process. This price is based on numerous factors, as described under "**Basis for Offer Price**" beginning on page 131, and may not be indicative of prices that will prevail in the open market following the Offer. The market price of our Equity Shares could be subject to significant fluctuations after the Offer and may decline below the Offer Price. In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may significantly reduce the market price of the Equity Shares, regardless of our Company's performance. As a result of these factors, we cannot assure you that investors will be able to resell their Equity Shares at or above the Offer Price.

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

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

However, if the laws of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights

without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, you may suffer future dilution of your ownership position and your proportional interests in us would be reduced.

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

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

**63. *A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.***

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of the Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the SEBI Takeover Regulations.

**64. *Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by us may dilute your shareholding and adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, including through exercise of employee stock options may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters, Promoter Group or other significant Shareholders, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. Except as disclosed in “*Capital Structure*” on page 93, we cannot assure you that our Promoters and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

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

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

## SECTION III – INTRODUCTION

### THE OFFER

The following table summarises details of the Offer.

Offer of Equity Shares	12,725,244 <sup>#</sup> Equity Shares aggregating to ₹16,000 <sup>#</sup> million
<i>Of which:</i>	
Fresh Issue <sup>(1)</sup>	7,955,769 <sup>#</sup> Equity Shares aggregating to ₹ 10,000 <sup>#</sup> million
Offer for Sale <sup>(2)</sup>	4,769,475 <sup>#</sup> Equity Shares aggregating to ₹6,000 <sup>#</sup> million
<i>which includes</i>	
Employee Reservation Portion <sup>(4)(6)(7)</sup>	70,237 <sup>#</sup> Equity Shares aggregating to ₹80 <sup>#</sup> million
Net Offer	12,655,007 <sup>#</sup> Equity Shares aggregating to ₹15,920 <sup>#</sup> million
<i>The Net Offer consists of:</i>	
<b>A. QIB Portion</b> <sup>(3) (4)</sup>	9,491,256 <sup>#</sup> Equity Shares
<i>Of which:</i>	
Anchor Investor Portion	5,694,753 <sup>#</sup> Equity Shares
Net QIB Portion	3,796,503 <sup>#</sup> Equity Shares
<i>Of which:</i>	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	189,826 <sup>#</sup> Equity Shares
Balance for all QIBs including Mutual Funds	3,796,503 <sup>#</sup> Equity Shares
<b>B. Non-Institutional Portion</b> <sup>(4)(5)</sup>	1,898,251 <sup>#</sup> Equity Shares
<i>Of which:</i>	
One-third of the Non-Institutional Portion, available for allocation to Bidders with an application size between ₹200,000 to ₹1,000,000	632,751 <sup>#</sup> Equity Shares
Two-thirds of the Non-Institutional Portion, available for allocation to Bidders with an application size of more than ₹1,000,000	1,265,500 <sup>#</sup> Equity Shares
<b>C. Retail Portion</b> <sup>(4)</sup>	1,265,500 <sup>#</sup> Equity Shares
<b>Pre and post-Offer Equity Shares</b>	
Equity Shares outstanding prior to the Offer	35,543,198 Equity Shares
Equity Shares outstanding after the Offer	43,498,967 <sup>#</sup> Equity Shares
<b>Use of Net Proceeds of this Offer</b>	See “ <i>Objects of the Offer</i> ” on page 116 for information about the use of the proceeds from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

<sup>#</sup>Subject to finalisation of Basis of Allotment

- (1) The Offer has been authorised pursuant to the resolutions dated August 25, 2023, and September 7, 2023, passed by the Board and the Fresh Issue has been authorised pursuant to the resolution dated September 7, 2023, passed by the Shareholders. Further, our Board has taken on record the consents of the respective Selling Shareholders for participation in the Offer for Sale pursuant to its resolutions dated August 25, 2023, and February 5, 2024.
- (2) Each of the Selling Shareholders, severally and not jointly, specifically confirms and undertakes that its portion of the Offered Shares and where applicable, such CCPS that were converted into its respective portion of the Offered Shares, has been held by such Selling Shareholder for a continuous period of at least one year prior to the filing of the Draft Red Herring Prospectus in terms of Regulation 8 of the SEBI ICDR Regulations. For more details, see “Capital Structure” beginning on page 93. In accordance with Regulation 8A of the SEBI ICDR Regulations; (i) Selling Shareholders holding, individually or with persons acting in concert, more than 20% of pre-issue shareholding of the Company (on a fully-diluted basis), shall not exceed more than 50% of their respective pre-issue shareholding (on a fully-diluted basis) and (ii) Selling Shareholders holding, individually or with persons acting in concert, less than 20% of pre-issue shareholding of the Company (on a fully-diluted basis), shall not exceed more than 10% of the pre-issue shareholding of the Company (on a fully-diluted basis). Each Selling Shareholder, severally and not jointly, has confirmed and authorised its respective participation in the Offer for Sale as set out below:

S. No.	Selling Shareholder	Number of Equity Shares proposed to be	Aggregate amount of Offer for Sale (in ₹ million) <sup>#</sup>	Date of corporate authorization	Date of consent letter
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		offered in the Offer for Sale <sup>a</sup>			
1.	Prabhat Agrawal	470,210	591.52	N/A	February 1, 2024
2.	Prem Sethi	313,472	394.35	N/A	February 1, 2024
3.	OrbiMed Asia III Mauritius Limited	3,815,580	4,800.00	August 25, 2023	February 1, 2024
4.	Chethan M.P.	4,401	5.54	N/A	August 25, 2023
5.	Deepesh T. Gala	1,320	1.66	N/A	August 25, 2023
6.	Hemant Jose Barros	8,802	11.07	N/A	August 25, 2023
7.	Hemant Jaggi	4,401	5.54	N/A	August 25, 2023
8.	K.R.V.S. Varaprasad	2,201	2.77	N/A	August 25, 2023
9.	K.E. Prakash	39,610	49.83	N/A	August 25, 2023
10.	Lavu Sahadev	1,320	1.66	N/A	August 25, 2023
11.	Manoj K Sanghani	12,103	15.23	N/A	August 25, 2023
12.	Millennium Medicare Private Limited	8,802	11.07	August 17, 2023	August 25, 2023
13.	K. Naveen Kumar Gupta	2,201	2.77	N/A	August 25, 2023
14.	Novacare Drug Specialities Private Limited	42,250	53.15	August 21, 2023	August 25, 2023
15.	Petros Diamantides	15,074	18.96	N/A	August 25, 2023
16.	Prashanth Ravindrakumar	13,203	16.61	N/A	August 25, 2023
17.	Suraj Prakash Atreja	1,102	1.39	N/A	August 25, 2023
18.	Venkata Ramana Siva Kumar Yanamadala	1,320	1.66	N/A	August 25, 2023
19.	Vikramaditya Ambre	12,103	15.23	N/A	August 25, 2023

<sup>a</sup>Subject to finalisation of Basis of Allotment

- (3) Our Company in consultation with the BRLMs, allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares was added to the Net QIB Portion Further, 5% of the Net QIB Portion was available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion was available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. In the event the aggregate demand from Mutual Funds was less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion were added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids For details, see "Offer Procedure" beginning on page 514.
- (4) Subject to valid Bids having been received at or above the Offer Price, under-subscription, if any, in any category, except in the QIB Portion, was allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws. Further, an Eligible Employee Bidding in the Employee Reservation Portion could also Bid under the Net Offer and such Bids were not be treated as multiple Bids subject to applicable limits. Eligible Employee could also apply under Retail Portion. However, Bids by Eligible Employees in the Employee Reservation Portion and in the Non-Institutional Portion were treated as multiple Bids, only if Eligible Employee had made an application of more than ₹2,00,000 (net of Employee Discount) in the Employee reservation portion. Under-subscription, if any, in the QIB Portion (excluding the Anchor Investor Portion) was not allowed to be met with spill-over from other categories or a combination of categories of Bidders. In the event of under-subscription in the Offer, after receiving minimum subscription for 90% of the Fresh Issue and complying with Rule 19(2)(b) of the SCRR, if there remained any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be first made pro rata towards Equity Shares offered by the Selling Shareholders, and thereafter, towards the balance Fresh Issue. For further details, see "Terms of the Offer" beginning on page 505.
- (5) The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, were subject to the following: (i) one-third of the portion available to Non-Institutional Bidders was reserved for applicants with an application size of more than ₹200,000 and up to ₹1,000,000, and (ii) two-third of the portion available to Non-Institutional Bidders was reserved for applicants with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of the aforementioned sub-categories would have been allocated to

applicants in the other sub-category of Non-Institutional Bidders. The allotment to each Non-Institutional Bidder will not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.

- (6) Eligible Employees bidding in the Employee Reservation Portion were required to ensure that the maximum Bid Amount does not exceed ₹500,000 (net of Employee Discount). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion did not exceed ₹200,000 (net of Employee Discount). Only in the event of an under-subscription in the Employee Reservation Portion post the 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 (net of Employee Discount), subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (net of Employee Discount). The Employee Reservation Portion did not exceed 5.00% of our post-Offer paid-up equity share capital. Any unsubscribed portion remaining in the Employee Reservation Portion was added to the Net Offer. For further details, see "Offer Structure" on page 511.
- (7) Our Company, in consultation with the BRLMs, offered an Employee Discount of 9.46% to the Offer Price (equivalent of ₹119 per Equity Share), which was announced two Working Days prior to the Bid/Offer Opening Date

Allocation to Bidders in all categories, except Anchor Investors, if any, Non-Institutional Bidders, and Retail Individual Bidders, was made on a proportionate basis, subject to valid Bids having been received at or above the Offer Price. The Allocation to each Retail Individual Bidder was not less than the minimum Bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, were Allocated on a proportionate basis. The allocation to each Non-Institutional Bidder was not less than the minimum application size, i.e ₹ 200,000, subject to the availability of Equity Shares in Non-Institutional Investors' category, and the remaining Equity Shares, if any, were allocated on a proportionate basis. Allocation to Anchor Investors was made on a discretionary basis. For further details, see "Offer Procedure" beginning on page 514.

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## SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our Restated Consolidated Financial Information as of and for the Fiscal Years ended March 31, 2021, March 31, 2022, March 31, 2023, and the six months ended September 30, 2023. The summary financial information presented below should be read in conjunction with “*Financial Information – Restated Consolidated Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages, 279 and 429, respectively.

### Restated Consolidated Statement of Assets and Liabilities

(₹ in million, unless otherwise stated)

Particulars	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	419.86	454.88	431.76	456.63	408.50
Right to Use Asset	483.77	576.69	536.85	616.60	558.77
Capital work-in-progress	-	2.21	-	5.86	-
Goodwill	1,683.06	1,670.32	1,670.32	1,502.44	894.90
Other intangible assets	35.72	41.43	38.37	44.00	23.55
Intangible assets under development	-	0.54	-	0.54	22.40
Financial assets					
Other Financial Assets	123.09	62.12	79.47	67.46	63.93
Deferred tax assets (net)	70.67	13.73	20.08	6.77	3.29
Non Current tax assets (net)	82.45	53.86	78.72	48.62	33.29
Other non-current assets	-	-	-	2.07	-
<b>Total non-current assets</b>	<b>2,898.62</b>	<b>2,875.78</b>	<b>2,855.57</b>	<b>2,751.00</b>	<b>2,008.63</b>
<b>Current assets</b>					
Inventories	3,874.64	3,254.77	3,416.28	3,101.64	2,439.26
Financial assets					
Trade receivables	6,304.88	4,771.89	5,148.84	3,745.99	2,421.52
Cash and cash equivalents	519.29	396.25	253.62	465.08	323.14
Bank balances other than cash and cash equivalent	784.32	675.60	814.82	588.90	505.10
Loans	1.07	5.91	5.92	10.22	7.52
Other financial assets	29.38	19.81	14.06	15.37	6.27
Other current assets	647.34	538.59	578.16	581.63	626.43
<b>Total current assets</b>	<b>12,160.92</b>	<b>9,662.82</b>	<b>10,231.70</b>	<b>8,508.83</b>	<b>6,329.24</b>
<b>Total assets</b>	<b>15,059.54</b>	<b>12,538.60</b>	<b>13,087.27</b>	<b>11,259.83</b>	<b>8,337.87</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Equity share capital	160.67	41.12	41.12	38.50	1.00
Instruments entirely equity in nature*	7,026.43	6,605.04	6,636.14	6,189.90	5,171.12
Other equity	(610.75)	(724.24)	(726.99)	(617.99)	(318.46)
<b>Equity attributable to owners of the company</b>	<b>6,576.35</b>	<b>5,921.92</b>	<b>5,950.27</b>	<b>5,610.41</b>	<b>4,853.66</b>
<b>Non-Controlling Interest</b>	<b>29.13</b>	<b>24.77</b>	<b>26.34</b>	<b>21.75</b>	<b>16.94</b>
<b>Total equity</b>	<b>6,605.48</b>	<b>5,946.69</b>	<b>5,976.61</b>	<b>5,632.16</b>	<b>4,870.60</b>

Particulars	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Financial liabilities					
Borrowings	1,134.75	-	310.67	371.26	-
Lease Liabilities	462.85	499.76	499.68	576.86	532.32
Provisions	63.12	46.60	54.03	44.32	27.45
Deferred tax Liabilities (net)	10.54	15.26	6.72	17.43	16.23
<b>Total non-current liabilities</b>	<b>1,671.26</b>	<b>561.62</b>	<b>871.10</b>	<b>1,009.87</b>	<b>576.00</b>
<b>Current liabilities</b>					
Financial liabilities					
Borrowings	3,752.01	3,675.07	3,424.48	2,479.02	1,417.03
Lease Liabilities	125.26	162.47	134.76	119.17	79.90
Trade payables					
i)total outstanding dues of micro enterprises and small enterprises	30.31	29.88	44.01	23.42	10.70
ii)total outstanding dues of creditors other than micro enterprise and small enterprise	2,218.33	1,553.67	2,060.99	1,374.37	956.70
Other financial liabilities	396.99	364.97	309.48	410.55	108.16
Other current liabilities	188.11	185.49	201.55	119.34	116.53
Provisions	30.66	40.01	46.47	79.59	194.85
Current tax liabilities (net)	41.13	18.73	17.82	12.34	7.40
<b>Total current liabilities</b>	<b>6,782.80</b>	<b>6,030.29</b>	<b>6,239.56</b>	<b>4,617.80</b>	<b>2,891.27</b>
<b>Total liabilities</b>	<b>8,454.06</b>	<b>6,591.91</b>	<b>7,110.66</b>	<b>5,627.67</b>	<b>3,467.27</b>
<b>Total equity and liabilities</b>	<b>15,059.54</b>	<b>12,538.60</b>	<b>13,087.27</b>	<b>11,259.83</b>	<b>8,337.87</b>

\*'Instruments entirely equity in nature' is a concept under the Indian Accounting Standards ("Ind AS"), provided for under the 'Guidance Note on Division II – Ind AS Schedule III to the Companies Act, 2013' issued by the Institute of Chartered Accountants of India ("Guidance Note"). The Guidance Note provides that instruments entirely equity in nature (which includes CCPS) may be presented as a separate line item on the face of the balance sheet under "Equity" after "Equity Share Capital" but before "Other Equity". The Ind AS Schedule III (i.e. Division II of Schedule III to the Companies Act, 2013) permits the additional line items to be presented when such presentation is relevant to an understanding of the company's financial position or performance.

## Restated Consolidated Statement of Profit and Loss

(₹ in million, unless otherwise stated)

Particulars	For the six month period ended September 30, 2023	For the six month period ended September 30, 2022	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>Income</b>					
Revenue from operations	18,955.01	15,839.68	33,002.07	25,220.65	17,797.37
Other income	34.76	24.71	55.14	44.83	39.31
<b>Total income</b>	<b>18,989.77</b>	<b>15,864.39</b>	<b>33,057.21</b>	<b>25,265.48</b>	<b>17,836.68</b>
<b>Expenses</b>					
Purchase of Stock-in-trade	17,600.30	14,585.35	30,512.60	23,424.71	16,851.90
Changes in inventories of Stock-in-trade	(336.86)	(32.44)	(193.95)	(300.34)	(470.50)
Employee benefits expense	733.26	656.67	1,281.40	1,148.06	759.42
Finance costs	322.91	230.27	489.72	289.78	200.38
Depreciation and amortization expense	118.79	116.27	242.37	197.54	162.76
Other expenses	414.65	379.81	761.95	703.84	441.10
<b>Total expenses</b>	<b>18,853.05</b>	<b>15,935.93</b>	<b>33,094.09</b>	<b>25,463.59</b>	<b>17,945.06</b>
<b>Restated Profit before tax</b>	<b>136.72</b>	<b>(71.54)</b>	<b>(36.88)</b>	<b>(198.11)</b>	<b>(108.38)</b>
<b>Tax expenses</b>					
Current tax	66.93	47.21	99.65	98.64	46.84
Deferred tax	(46.63)	(10.18)	(25.49)	(2.36)	(1.68)
<b>Total income tax expense</b>	<b>20.30</b>	<b>37.03</b>	<b>74.16</b>	<b>96.28</b>	<b>45.16</b>
<b>Restated profit for the year/period</b>	<b>116.42</b>	<b>(108.57)</b>	<b>(111.04)</b>	<b>(294.39)</b>	<b>(153.54)</b>
<b>Restated other comprehensive Income/ (Loss)</b>					
<i>Items that will not be reclassified to profit or loss</i>					
Remeasurement gains/ (losses) on defined benefit plan	0.42	6.42	8.11	(0.26)	(2.05)
Income tax effect	0.15	(1.09)	(1.48)	(0.07)	0.20
<b>Total</b>	<b>0.57</b>	<b>5.33</b>	<b>6.63</b>	<b>(0.33)</b>	<b>(1.85)</b>
<i>Items that will be reclassified to profit or loss</i>	-	-	-	-	-
<b>Restated other comprehensive income for the year, net of tax</b>	<b>0.57</b>	<b>5.33</b>	<b>6.63</b>	<b>(0.33)</b>	<b>(1.85)</b>
<b>Restated total comprehensive income for the year</b>	<b>116.99</b>	<b>(103.24)</b>	<b>(104.41)</b>	<b>(294.72)</b>	<b>(155.39)</b>
<b>Restated loss attributable to</b>					
Owners of the Company	113.65	(111.53)	(115.57)	(299.20)	(155.37)
Non-controlling Interest	2.77	2.96	4.53	4.81	1.83
	<b>116.42</b>	<b>(108.57)</b>	<b>(111.04)</b>	<b>(294.39)</b>	<b>(153.54)</b>

<b>Restated total comprehensive income attributable to</b>					
Owners of the Company	114.20	(106.25)	(109.00)	(299.53)	(157.17)
Non-controlling Interest	2.79	3.01	4.59	4.81	1.78
	<b>116.59</b>	<b>(103.24)</b>	<b>(104.41)</b>	<b>(294.72)</b>	<b>(155.39)</b>
<b>Restated earnings per share*</b>					
Basic (INR)	2.95	(3.04)	(3.10)	(9.22)	(5.29)
Diluted (INR)	2.95	(3.04)	(3.10)	(9.22)	(5.29)

\*Below are the details of our basic and diluted earnings per share, updated on account of conversion of CCPS of our Company on January 27, 2024.

<b>Particulars</b>	<b>For the six months ended September 30, 2023</b>	<b>For the six months ended September 30, 2022</b>	<b>For the Year ended March 31, 2023</b>	<b>For the Year ended March 31, 2022</b>	<b>For the Year ended March 31, 2021</b>
<b>Restated earnings per share</b>					
Basic (INR)	3.27	(3.37)	(3.43)	(10.23)	(5.87)
Diluted (INR)	3.27	(3.37)	(3.43)	(10.23)	(5.87)

<b><u>Analysis of revenues by segments:</u></b>					
<b>Particulars</b>	<b>For the period ended 30 September 2023</b>	<b>For the period ended 30 September 2022</b>	<b>For the Year ended 31 March 2023</b>	<b>For the Year ended 31 March 2022</b>	<b>For the Year ended 31 March 2021</b>
Trading of pharmaceutical and surgical products.	18,955.01	15,839.68	33,002.07	25,220.65	17,797.37
<u>Revenue based on Geography:</u>					
<b>Particulars</b>	<b>For the period ended 30 September 2023</b>	<b>For the period ended 30 September 2022</b>	<b>For the Year ended 31 March 2023</b>	<b>For the Year ended 31 March 2022</b>	<b>For the Year ended 31 March 2021</b>
Domestic	18,955.01	15,839.68	33,002.07	25,220.65	17,770.31
Export	-	-	-	-	27.06
<b>Total</b>	<b>18,955.01</b>	<b>15,839.68</b>	<b>33,002.07</b>	<b>25,220.65</b>	<b>17,797.37</b>

## Restated Consolidated Statement of Cash Flows

(₹ in million, unless otherwise stated)

Particulars	For the six month period ended September 30, 2023	For the six month period ended September 30, 2022	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>Cash flow from operating activities</b>					
Restated profit before tax	136.72	(71.54)	(36.88)	(198.11)	(108.38)
Adjustments for:					
Depreciation and amortization expenses	118.79	116.27	242.37	197.54	162.76
Finance cost	322.91	230.27	489.72	289.78	200.38
Provision for expected credit loss	27.40	3.29	53.79	62.50	14.05
Provision for retirement benefits & Leave obligation	14.28	8.21	18.11	22.12	15.01
Interest income	(30.85)	(14.98)	(40.90)	(34.39)	(26.44)
Provision for sales return	(20.57)	(39.09)	(33.42)	(122.38)	60.86
Employee stock option expenses	2.04	-	-	-	-
<b>Operating profit before working capital changes</b>	<b>570.72</b>	<b>232.43</b>	<b>692.79</b>	<b>217.06</b>	<b>318.24</b>
<b>Changes in working capital</b>					
Increase/(Decrease) in Trade payables	22.71	54.41	575.85	185.18	(89.82)
Increase/(Decrease) in other current liabilities	(44.21)	17.26	33.33	2.22	(63.08)
Increase/(Decrease) in other financial liabilities	121.14	(45.59)	(101.08)	302.39	(76.28)
(Increase)/Decrease in Inventories	(344.33)	(32.44)	(193.94)	(300.97)	(489.51)
(Increase)/Decrease in Trade receivables	(981.47)	(909.74)	(1,337.18)	(682.19)	(119.19)
(Increase)/Decrease in Loans	4.85	4.30	4.30	(2.70)	(3.48)
(Increase)/Decrease in Other financial assets	(58.95)	0.90	(10.69)	(12.64)	(0.04)
(Increase)/Decrease in Other current assets	(69.07)	45.24	5.67	50.10	(122.25)
(Increase)/Decrease in Other Non current assets	-	2.07	2.07	(2.07)	4.40
<b>Cash used in operations</b>	<b>(778.61)</b>	<b>(631.16)</b>	<b>(328.88)</b>	<b>(243.62)</b>	<b>(641.01)</b>
Income tax paid (including advance tax & TDS)	(48.60)	(46.08)	(124.27)	(109.04)	(45.83)
<b>Net cash flows used in operating activities (A)</b>	<b>(827.21)</b>	<b>(677.24)</b>	<b>(453.15)</b>	<b>(352.66)</b>	<b>(686.84)</b>
<b>Cash flow from Investing activities</b>					
Purchase consideration on acquisition of business / subsidiaries	(232.74)	(245.74)	(245.74)	(1,469.24)	(10.99)
Payment for property, plant and equipment and intangible assets	(17.41)	(20.88)	(55.19)	(98.66)	(95.29)
Interest received	30.84	14.98	40.90	34.39	26.07
Investment in bank deposits	30.50	(86.69)	(225.92)	(83.81)	(228.48)
<b>Net cash flow used in investing activities (B)</b>	<b>(188.81)</b>	<b>(338.33)</b>	<b>(485.95)</b>	<b>(1,617.32)</b>	<b>(308.69)</b>
<b>Cash flow from Financing activities</b>					
Proceeds from issuance of Equity Shares	-	2.62	2.62	37.50	-
Proceeds from issuance of convertible preference shares	509.85	415.14	446.24	1,018.78	784.00
Proceeds from borrowings	1,153.53	824.79	884.87	1,433.25	352.34
Principal paid on lease liabilities	(67.64)	(65.55)	(116.37)	(87.83)	(42.32)
Interest paid on lease	(29.19)	(33.26)	(65.37)	(61.64)	(58.61)
Interest paid	(295.64)	(197.00)	(424.35)	(228.14)	(148.28)



<b>Net cash flow from financing activities (C)</b>	<b>1,270.91</b>	<b>946.74</b>	<b>727.64</b>	<b>2,111.92</b>	<b>887.13</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	254.90	(68.83)	(211.46)	141.94	(108.40)
Cash and cash equivalents at the beginning of the year	253.62	465.08	465.08	323.14	431.54
Add: on acquisition of business	10.78	-	-	-	-
<b>Cash and cash equivalents at the end of the year</b>	<b>519.29</b>	<b>396.25</b>	<b>253.62</b>	<b>465.08</b>	<b>323.14</b>
<b>Cash and cash equivalents comprise</b>					
Balances with banks					
On current accounts	370.42	362.90	217.46	439.21	305.89
Fixed deposits with maturity of less than 3 months	106.27	0.88	5.34	1.49	0.02
Cash on hand	27.80	32.47	29.61	24.25	16.97
Cheques on hand	14.80	-	1.21	0.13	0.26
<b>Total cash and bank balances at end of the year</b>	<b>519.29</b>	<b>396.25</b>	<b>253.62</b>	<b>465.08</b>	<b>323.14</b>

## GENERAL INFORMATION

Our Company was incorporated as “Entero Healthcare Solutions Private Limited” as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated January 10, 2018, issued by the Registrar of Companies, Central Registration Centre, under the administrative control of the Registrar of Companies, Delhi and Haryana at New Delhi. Subsequently, our Company was converted into a public limited company pursuant to a resolution passed in the annual general meeting of our Shareholders held on August 7, 2023, and consequently, the name of our Company was changed to ‘Entero Healthcare Solutions Limited’, and a fresh certificate of incorporation dated August 25, 2023, was issued by the RoC.

For details of changes in the name and registered office address of our Company, see ‘*History and Certain Corporate Matters*’ on page 209.

### Registered Office

Plot No. I-35, Building - B,  
Industrial Area Phase - I,  
13/7 Mathura Road,  
Faridabad 121 003  
Haryana, India

### Corporate Office

605 & 606, 6<sup>th</sup> Floor,  
Trade Centre, Bandra Kurla Complex,  
Bandra East, Mumbai 400 051  
Maharashtra, India

### Corporate Identity Number and Registration Number

**Corporate Identity Number:** U74999HR2018PLC072204

**Registration Number:** 072204

### Address of the Registrar of Companies

Our Company is registered with the Registrar of Companies, Central Registration Centre, under the administrative control of the Registrar of Companies, Delhi and Haryana at New Delhi, situated at the following address:

### Registrar of Companies, Delhi and Haryana at New Delhi

4<sup>th</sup> Floor, IFCI Tower,  
61, Nehru Place,  
New Delhi 110 019

### Board of Directors

The table below sets forth the details of the constitution of our Board:

Name	Designation	DIN	Address
Sujesh Vasudevan	Chairperson, Non-Executive, Independent Director	08240092	1803, Tower 3, Raheja Tipco, Rani Sati Marg, near Kathia Wadi Chowk, Malad East, Mumbai – 400097, Maharashtra, India
Prabhat Agrawal	Managing Director and Chief Executive Officer	07466382	29th floor, 2901, N, Lodha World One, Senapati Bapat Marg, Upper Worli, Delisle Road, Mumbai- 400013, Maharashtra, India.
Prem Sethi	Whole-time Director and Chief Operating Officer	07077034	House No.03, Sector 37, Faridabad – 121003, Haryana, India
Sumona Chakraborty*	Non-Executive, Non-Independent (Nominee) Director	09597426	Flat 301B, Villa Queenie, Plot 369, 16th road, Bandra West, Mumbai- 400050, Maharashtra, India

Name	Designation	DIN	Address
Vipul Indravadan Desai**	Non-Executive, Non-Independent (Nominee) Director	08350894	701, Vinayak Kunj, 172, Nehru Road, Vile Parle East, Mumbai – 400057, Maharashtra, India
Arun Sadhanandham*	Non-Executive, Non-Independent (Nominee) Director	08445197	Panorama 1601, The Address, LBS Road, Ghatkopar West, Mumbai – 400086, Maharashtra India
Rajesh Shashikant Dalal	Non-Executive, Independent Director	03504969	7, La kozy Mansion, 21, Chowpatty Sea Face, Mumbai- 400007, Maharashtra, India
Sandhya Gadhari Sharma	Non-Executive, Independent Director	02005378	B-2006, 20 <sup>th</sup> Floor Ashok Tower, 63/74, Dr. Ambedkar Road, Parel, Mumbai- 400012, Maharashtra, India

\* Nominee of OrbiMed.

\*\* Nominee of PUFT.

For brief profiles of our Directors, please see “*Our Management*” on page 250.

### Selling Shareholders

The selling shareholders in the Offer are as mentioned below:

S. No.	Name of the Selling Shareholder
1.	Prabhat Agrawal
2.	Prem Sethi
3.	OrbiMed Asia III Mauritius Limited
4.	Chethan M.P.
5.	Deepesh T. Gala
6.	Hemant Jose Barros
7.	Hemant Jaggi
8.	K.R.V.S. Varaprasad
9.	K.E. Prakash
10.	Lavu Sahadev
11.	Manoj K Sanghani
12.	Millennium Medicare Private Limited
13.	K. Naveen Kumar Gupta
14.	Novacare Drug Specialities Private Limited
15.	Petros Diamantides
16.	Prashanth Ravindrakumar
17.	Suraj Prakash Atreja
18.	Venkata Ramana Siva Kumar Yanamadala
19.	Vikramaditya Ambre

### Company Secretary and Compliance Officer for the Offer

Jayant Prakash is the Vice President - General Counsel, Company Secretary and Compliance Officer of our Company. His contact details are as follows:

#### Jayant Prakash

Vice President - General Counsel, Company Secretary and Compliance Officer

605 & 606, 6<sup>th</sup> Floor, Trade Centre,

Bandra Kurla Complex, Bandra East

Mumbai – 400051, Maharashtra, India

**E-mail:** jayant.prakash@enterohealthcare.com

**Tel.:** +91- 22-6901 9105

### Statutory Auditors of our Company

**M S K A & Associates, Chartered Accountants**

602, Floor 6, Raheja Titanium

Western Express Highway  
Geetanjali, Railway Colony,  
Ram Nagar, Goregaon (East),  
Mumbai 400 063, India  
**Tel.:** +91 22 6831 1600  
**E-mail:** vaijayantimalabelsare@mska.in  
**ICAI Firm Registration Number:** 105047W  
**Peer Review Number:** 016327

### **Changes in Statutory Auditors**

There has been no change in the Statutory Auditors during the three years immediately preceding the date of this Prospectus.

### **Investor Grievances**

**Investors can contact our Vice President - General Counsel, Company Secretary and Compliance Officer, the Book Running Lead Managers or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems, redressals of complaints, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode.**

All Offer related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer 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's DP ID, Client ID, UPI ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than UPI Bidders using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of UPI Bidders using the UPI Mechanism.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

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

### **Book Running Lead Managers**

**ICICI Securities Limited**  
ICICI Venture House  
Appasaheb Marathe Marg  
Prabhadevi  
Mumbai 400 025  
Maharashtra, India  
**Tel:** +91 22 6807 7100  
**E-mail:** entero.ipo@icicisecurities.com  
**Website:** www.icicisecurities.com  
**Investor Grievance E-mail:**  
customercare@icicisecurities.com  
**Contact Person:** Shekher Asnani / Gaurav Mittal  
**SEBI Registration No.:** INM000011179

**DAM Capital Advisors Limited**  
One BKC, Tower C,  
15th Floor, Unit No. 1511,  
Bandra Kurla Complex, Bandra (East),  
Mumbai – 400 051  
Maharashtra, India  
**Tel:** +91 22 4202 2500  
**E-mail:** entero.ipo@damcapital.in  
**Investor grievance e-mail:**  
complaint@damcapital.in  
**Website:** www.damcapital.in  
**Contact Person:** Arpi Chheda  
**SEBI Registration:** MB/INM000011336

**Jefferies India Private Limited**

16th Floor, Express Towers,  
Nariman Point, Mumbai 400 021  
Maharashtra, India  
**Tel:** +91 22 4356 6000  
**E-mail:** Enterohealthcare.IPO@jefferies.com  
**Investor Grievance ID:**  
jipl.grievance@jefferies.com  
**Website:** www.jefferies.com  
**Contact Person:** Suhani Bhareja  
**SEBI Registration:** INM000011443

**SBI Capital Markets Limited**

Unit No. 1501, 15th floor, A & B Wing,  
Parinee Crescenzo Building, Plot C- 38, G Block,  
Bandra Kurla Complex, Bandra (East),  
Mumbai- 400 051,  
Maharashtra.  
**Tel:** +91 22 4006 9807  
**E-mail:** entero.ipo@sbicaps.com  
**Investor Grievance E-Mail:**  
investor.relations@sbicaps.com  
**Website:** www.sbicaps.com  
**Contact person:** Aditya Deshpande  
**SEBI Registration No.:** INM000003531

**Syndicate Members****SBICAP Securities Limited**

Marathon Futurex, B Wing, Unit no 1201, 12th Floor,  
NM Joshi Marg, Lower Parel,  
Mumbai -400013  
**Tel:** 91-22-69316204  
**Email:** archana.dedhia@sbicapsec.com  
**Website:** www.sbisecurities.in  
**Contact Person:** Ms. Archana Dedhia  
**SEBI Registration No:** INZ000200032  
**CIN:** U65999MH2005PLC155485

**Sharekhan Limited**

The Ruby, 18<sup>th</sup> Floor,  
29 Senapati Bapat Marg,  
Dadar (West),  
Mumbai – 400 028  
Maharashtra, India  
**Tel:** +91 22 6750 2000  
**Email:** pravin@sharekhan.com  
**Website:** www.sharekhan.com  
**Contact Person:** Pravin Darji  
**Investor Grievance Email:**  
myaccount@sharekhan.com  
**SEBI Registration No:**  
INB231073330/INB011073351  
**CIN:** U99999MH1995PLC087498

**JM Financial Limited**

7<sup>th</sup> Floor, Cnergy,  
Appasaheb Marathe Marg,  
Prabhadevi, Mumbai 400 025  
Maharashtra, India  
**Tel.:** +91 22 6630 3030  
**E-mail:** entero.ipo@jmfl.com  
**Investor Grievance ID:** grievance.ibd@jmfl.com  
**Website:** www.jmfl.com  
**Contact Person:** Prachee Dhuri  
**SEBI Registration Number:** INM000010361

**Investec Capital Services (India) Private Limited**

1103-04, 11<sup>th</sup> Floor, B Wing, Parinee Crescenzo,  
Bandra Kurla Complex,  
Mumbai – 400051  
**Tel:** +91 22 6849 7400  
**Email:** kunal.naik@investec.co.in  
**Website:** https://www.investec.com/india.html  
**Contact Person:** Kunal Naik  
**SEBI Registration No:** INZ000007138  
**CIN:** U65923MH2010FTC204309

**JM Financial Services Limited**

Ground Floor, 2,3&4, Kamanwala Chambers,  
Sir P.M. Road, Fort, Mumbai – 400001, Maharashtra,  
India  
**Tel:** +91 22 6136 3400  
**Email:** tn.kumar@jmfl.com /  
sona.verghese@jmfl.com  
**Website:** www.jmfinancialservices.in  
**Contact Person:** T N Kumar / Sona Verghese  
**SEBI Registration No:** INZ000195834  
**Investor Grievance Email:**  
ig.distribution@jmfl.com  
**CIN:** U67120MH1998PLC115415

## Statement of inter-se allocation of responsibilities among the BRLMs

The responsibilities and coordination by the BRLMs for various activities in this Offer are as follows:

Sr. No.	Activity	Responsibility	Co-ordinator
1.	Capital structuring, due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, the Red Herring Prospectus, this Prospectus, abridged prospectus and application form. The Book Running Lead Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing	I-Sec, DAM Capital, Jefferies, JM, SBICAPS	I-Sec
2.	Drafting and approval of all statutory advertisements	I-Sec, DAM Capital, Jefferies, JM, SBICAPS	I-Sec
3.	Drafting and approval of all publicity material other than statutory advertisements, including corporate advertising, brochures, media monitoring, etc. and filing of media compliance report	I-Sec, DAM Capital, Jefferies, JM, SBICAPS	JM
4.	Appointment of intermediaries (including co-ordinating all agreements to be entered with such parties): advertising agency, registrar, printers, banker(s) to the Offer, Sponsor Bank, Share Escrow Agent, Syndicate Members, etc.	I-Sec, DAM Capital, Jefferies, JM, SBICAPS	SBICAPS
5.	Preparation of road show presentation and frequently asked questions	I-Sec, DAM Capital, Jefferies, JM, SBICAPS	Jefferies
6.	International institutional marketing of the Offer, which will cover, inter alia: <ul style="list-style-type: none"> <li>Institutional marketing strategy and preparation of publicity budget;</li> <li>Finalising the list and division of international investors for one-to-one meetings</li> <li>Finalising international road show and investor meeting schedules</li> </ul>	I-Sec, DAM Capital, Jefferies, JM, SBICAPS	Jefferies
7.	Domestic institutional marketing of the Offer, which will cover, inter alia: <ul style="list-style-type: none"> <li>Institutional marketing strategy and preparation of publicity budget;</li> <li>Finalising the list and division of domestic investors for one-to-one meetings</li> <li>Finalising domestic road show and investor meeting schedules</li> </ul>	I-Sec, DAM Capital, Jefferies, JM, SBICAPS	I-Sec
8.	Conduct non-institutional marketing of the Offer, which will cover, inter-alia: <ul style="list-style-type: none"> <li>Finalising media, marketing and public relations strategy;</li> <li>Formulating strategies for marketing to non-institutional investors</li> </ul>	I-Sec, DAM Capital, Jefferies, JM, SBICAPS	JM
9.	Retail marketing of the Offer, which will cover, <i>inter alia</i> , <ul style="list-style-type: none"> <li>Finalising media, marketing and public relations strategy including list of frequently asked questions at retail road shows;</li> <li>Finalising centres for holding conferences for brokers, etc.;</li> <li>Follow-up on distribution of publicity and Offer material including application form, the Prospectus and deciding on the quantum of the Offer material; and finalising collection centres</li> </ul>	I-Sec, DAM Capital, Jefferies, JM, SBICAPS	SBICAPS
10.	Coordination with Stock Exchanges for book building software, bidding terminals, mock trading, intimation to Stock Exchanges for anchor portion and deposit of 1% security deposit with designated stock exchange.	I-Sec, DAM Capital, Jefferies, JM, SBICAPS	SBICAPS
11.	Managing the book and finalization of pricing in consultation with our Company and/or the Selling Shareholders	I-Sec, DAM Capital, Jefferies, JM, SBICAPS	I-Sec
12.	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. Post-Offer activities, which shall involve essential follow-up steps including allocation to anchor investors, follow-up with bankers to the Offer and SCSBs to get quick estimates of collection and advising the issuer about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, coordination for unblock of funds by SCSBs, finalization of trading, dealing and listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as registrar to the Offer, bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable.  Payment of the applicable securities transaction tax (“STT”) on sale of unlisted equity shares by the Selling Shareholder under the Offer for Sale to the	I-Sec, DAM Capital, Jefferies, JM, SBICAPS	DAM Capital

Sr. No.	Activity	Responsibility	Co-ordinator
	Government and filing of the STT return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004.		
	Co-ordination with SEBI and stock exchanges for refund of 1% security deposit and submission of all post-offer reports including final post-offer report to SEBI.		

### Registrar to the Offer

#### Link Intime India Private Limited

**Tel:** +91 8108114949

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

**Investor grievance e-mail:** enterohealthcare.ipo@linkintime.co.in

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

**Contact person:** Shanti Gopalkrishnan

**SEBI Registration Number.:** INR000004058

### Legal Counsel to our Company as to Indian law

#### IndusLaw

1502B, 15<sup>th</sup> Floor, Tower – 1C

One World Centre

Senapati Bapat Marg, Lower Parel

Mumbai 400 013

Maharashtra, India

**Tel:** +91 22 4920 7200

### Bankers to our Company

#### HDFC Bank Limited

Unit No. 401 & 402, 4<sup>th</sup> Floor, Tower B,

Peninsula Business Park, Lower Parel,

Mumbai – 400 013

**Tel.:** 022-33958051

**E-mail:** bhavya.doshi1@hdfcbank.com

**Website:** www.hdfcbank.com

**Contact Person:** Bhavya Doshi

#### Axis Bank Limited

Mega Wholesale Banking Centre (MWBC) Mumbai, 12

A Mittal Tower, 1<sup>st</sup> Floor, Nariman Point, Mumbai –

400 021

**Tel.:** +91 22 2289 5266

**E-mail:** cbbmumbai.branchhead@axisbank.com

**Website:** www.axisbank.com

**Contact Person:** Head, MWBC Mumbai

#### IndusInd Bank Limited

11<sup>th</sup> Floor, Tower 1, One World Centre,

841, S.B. Marg, Elphinstone Road,

Mumbai – 400 013

**Tel:** +91 99870 30627

**E-mail:** pratik.agarwal@indusind.com

**Website:** www.indusind.com

**Contact Person:** Pratik Agarwal (Relationship Manager)

#### ICICI Bank Limited

6th Floor Ackruti Centre Point, Kondivita, Near

Telephone Exchange. MIDC, Andheri (E), Mumbai -

400093

**Tel:** 022-68053000

**Email:** gaurav.khandelwal@icicibank.com

**Website:** https://www.icicibank.com/

**Contact Person:** Gaurav Khandelwal

### Escrow Collection Bank, Refund Bank, and Sponsor Bank

#### Axis Bank Limited

Manek Plaza, Kurla-CST Road, Opp Crystal Plaza,

Santacruz East, Mumbai, Maharashtra – 400 021

**Tel.:** 9167007761

**E-mail:** kalina.branchhead@axisbank.com

**Website:** www.axisbank.com

**Contact Person:** Seshadri Vijayaraghavan

**SEBI Registration Number:** INBI00000017

**CIN:** L65110GJ1993PLC020769

### Public Offer Account Bank, and Sponsor Bank

**HDFC Bank Limited**

FIG- OPS Department- Lodha, I Think Techno Campus O-3 Level,  
Next to Kanjurmarg Railway Station, Kanjurmarg (East)  
Mumbai- 400042, Maharashtra, India

**Telephone Number:** +91 22 30752927/28/2914

**Email:** siddharth.jadhav@hdfcbank.com, sachin.gawade@hdfcbank.com, eric.bacha@hdfcbank.com,  
tushar.gavankar@hdfcbank.com, pravin.teli2@hdfcbank.com

**Website:** www.hdfcbank.com

**Contact Person:** Eric Bacha/ Sachin Gawade / Pravin Teli / Siddharth Jadhav / Tushar Gavankar

**SEBI Registration Number:** INBI00000063

**CIN:** L65920MH1994PLC080618

**Designated Intermediaries*****Self Certified Syndicate Banks***

The banks registered with the SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount was blocked by authorizing an SCSB, a list of which is available on the website of SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at [sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40](http://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) or such other website as updated from time to time.

Applications through the UPI Mechanism in the Offer could be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The list is available on the website of SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

***SCSBs eligible as Issuer Banks for UPI and mobile applications enabled for UPI Mechanism***

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

***Syndicate SCSB Branches***

In relation to Bids (other than Bids by Anchor Investors and RIIs) 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 at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35>, which may be and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?DoRecognised=yes&intmId=35> or any such other website as may be prescribed by SEBI from time to time.

***Registered Brokers***

The list of the Registered Brokers, eligible to accept ASBA forms, including details such as postal address, telephone number, and email address, is provided on the websites of BSE and NSE at [http://www.bseindia.com/Markets/PublicIssues/brokercentres\\_new.aspx?expandable=3](http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3) and [http://www.nseindia.com/products/content/equities/ipos/ipo\\_mem\\_terminal.htm](http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm), respectively, or such other websites



as updated from time to time.

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

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number, and e-mail address, are provided on the websites of BSE and NSE at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> 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 BSE and NSE at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> 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.

### **Credit Rating**

As this is an offer of Equity Shares, there is no requirement to obtain credit rating for the Offer.

### **Grading of the Offer**

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

### **Debenture Trustees**

As this is an offer of Equity Shares, the appointment of debenture trustees is not required for the Offer.

### **Monitoring Agency**

As the size of the Offer exceeds ₹ 1,000.00 million, our Company has appointed a credit rating agency registered with SEBI, ICRA Limited as the monitoring agency in compliance with the SEBI ICDR Regulations. For details, see “*Objects of the Offer – Monitoring of Utilisation of Funds*” on page 128.

### **Green Shoe Option**

No green shoe option is contemplated under the Offer.

### **Appraising Entity**

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency. Accordingly, no appraising entity is appointed for the Offer.

### **Experts**

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

- (i) Our Company has received written consent from the Statutory Auditors namely, M S K A & Accountants, Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their: (i) examination report, dated January 21, 2024 on Restated Consolidated Financial Information and their assurance reports dated January 21, 2024, and September 7, 2023, on the Pro Forma Financial Information; and (ii) their report dated January 21, 2024, on the Statement of Special Tax Benefits available to the Company and its shareholders under direct and indirect tax laws in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.
- (ii) Our Company has received written consent dated February 5, 2024 from N B T and Co, Chartered Accountants (Firm Registration Number: 140489W), holding a valid peer review certificate from ICAI, to include their name

as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Prospectus and as an ‘expert’ as defined under Section 2(38) of Companies Act, 2013 in respect of the certificates issued by them in their capacity as an independent chartered accountant to our Company.

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

### **Filing**

A copy of the Draft Red Herring Prospectus was filed through the SEBI Intermediary Portal at <https://sipotal.sebi.gov.in>, as specified in regulation 25(8) of the SEBI ICDR Regulations read with SEBI master circular SEBI/HO/CFD/PoD2/P/CIR/2023/0094 dated June 21, 2023, 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*”. Further, physical copies of the Draft Red Herring Prospectus were filed with the Securities and Exchange Board of India at:

### **Securities and Exchange Board of India**

Corporation Finance Department  
Division of Issues and Listing  
SEBI Bhavan, Plot No. C4 A, ‘G’ Block  
Bandra Kurla Complex  
Bandra (East), Mumbai 400 051  
Maharashtra, India

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under section 32 of the Companies Act, 2013, has been filed with the RoC and a copy of this Prospectus required to be filed under Section 26 of the Companies Act, 2013 has been filed with the RoC at its office, and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

### **Book Building Process**

“Book building” refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and minimum Bid Lot and Employee Discount (if any) was decided by our Company in consultation with the BRLMs, and advertised in all editions of the English national daily newspaper, The Financial Express, and all editions of the Hindi national daily newspaper, Jansatta, and the Faridabad edition of the Hindi newspaper Satyajay Times, (Hindi also being the regional language of Haryana wherein our Registered Office is located) each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date and was made available to the Stock Exchanges for the purpose of uploading on their website. The Offer Price shall be determined by our Company in consultation with the BRLMs, after the Bid/ Offer Closing Date. For details, see “*Offer Procedure*” on page 514.

**All Bidders, other than Anchor Investors, could only participate in the Offer mandatorily through the ASBA process by providing the details of their respective ASBA Accounts in which the corresponding Bid Amount was blocked by the SCSBs and Sponsor Banks, as the case may be. Anchor Investors were not permitted to participate in the Offer through the ASBA process. UPI Bidders could participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount would be blocked by the SCSBs or, (b) through the UPI Mechanism. Non-Institutional Investors with an application size of up to ₹ 0.50 million were required to use the UPI Mechanism and also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.**

**In accordance with the SEBI ICDR Regulations, QIBs Bidding in the Net QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion was allowed to withdraw or lower the size of their Bid(s) (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion could revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. Anchor Investors could not withdraw their Bids after the Anchor Investor Bidding Date. Further, allocation to QIBs in the Net QIB Portion will be on a proportionate basis and allocation to Anchor Investors in the Anchor Investor Portion was on a discretionary basis.**

For further details, see “*Terms of the Offer*”, “*Offer Structure*” and “*Offer Procedure*” on pages, 505, 511, and 514 respectively.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Offer. Each Selling Shareholder specifically confirms that it will comply with the SEBI ICDR Regulations and any other directions issued by SEBI, as applicable to such Selling Shareholder, in relation to its respective portion of the Offered Shares. In this regard, our Company and the Selling Shareholders have appointed the BRLMs to manage this Offer and procure Bids for this Offer.

**The Book Building Process is in accordance with guidelines, rules, regulations prescribed by SEBI. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.**

Bidders were required to note the Offer 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 approval of the RoC after this Prospectus is filed with the RoC.

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

For an illustration of the Book Building Process and the price discovery process, see “*Offer Procedure*” on page 514.

#### **Underwriting Agreement**

Prior to the filing of this Prospectus with the RoC, the Selling Shareholders and our Company have entered into the Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. It is proposed that pursuant to the terms of the Underwriting Agreement, each of the BRLMs shall be severally responsible for bringing in the amount devolved in the event the respective Syndicate Member do not fulfill their underwriting obligations. 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 February 13, 2024. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

<b>Name, address, telephone number and email address of the Underwriters</b>	<b>Indicative Number of Equity Shares to be underwritten</b>	<b>Amount underwritten (₹ million)</b>
<b>ICICI Securities Limited</b> ICICI Venture House Appasaheb Marathe Marg Prabhadevi Mumbai 400 025 Maharashtra, India <b>Tel:</b> +91 22 6807 7100 <b>E-mail:</b> entero.ipo@icicisecurities.com	645,469	812.00
<b>DAM Capital Advisors Limited</b> One BKC, Tower C, 15th Floor, Unit No. 1511, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 Maharashtra, India <b>Tel:</b> +91 22 4202 2500 <b>E-mail:</b> entero.ipo@damcapital.in	645,369	811.87
<b>Jefferies India Private Limited</b> 16th Floor, Express Towers, Nariman Point, Mumbai 400 021 Maharashtra, India <b>Tel:</b> +91 22 4356 6000 <b>E-mail:</b> Enterohealthcare.IPO@jefferies.com	645,469	812.00
<b>JM Financial Limited</b> 7 <sup>th</sup> Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025 Maharashtra, India <b>Tel.:</b> +91 22 6630 3030 <b>E-mail:</b> entero.ipo@jmfll.com	645,369	811.87
<b>SBI Capital Markets Limited</b> Unit No. 1501, 15th floor, A & B Wing, Parinee Crescenzo Building, Plot C- 38, G Block, Bandra Kurla Complex, Bandra (East), Mumbai- 400 051,	645,268	811.75

Name, address, telephone number and email address of the Underwriters	Indicative Number of Equity Shares to be underwritten	Amount underwritten (₹ million)
Maharashtra. <b>Tel:</b> +91 22 4006 9807 <b>E-mail:</b> entero.ipo@sbicaps.com		
<b>SBICAP Securities Limited</b> Marathon Futurex, B Wing, Unit no 1201, 12th Floor, NM Joshi Marg, Lower Parel, Mumbai -400013 <b>Tel:</b> 91-22-69316204 <b>Email:</b> archana.dedhia@sbicapsec.com	100	0.13
<b>Investec Capital Services (India) Private Limited</b> 1103-04, 11 <sup>th</sup> Floor, B Wing, Parinee Crescenzo, Bandra Kurla Complex, Mumbai – 400051 <b>Tel:</b> +91 22 6849 7400 <b>Email:</b> kunal.naik@investec.co.in	100	0.13
<b>Sharekhan Limited</b> The Ruby, 18 <sup>th</sup> Floor, 29 Senapati Bapat Marg, Dadar (West), Mumbai – 400 028 Maharashtra, India <b>Tel:</b> +91 22 6750 2000 <b>Email:</b> pravin@sharekhan.com	100	0.13
<b>JM Financial Services Limited</b> Ground Floor, 2,3&4, Kamanwala Chambers, Sir P.M. Road, Fort, Mumbai – 400001, Maharashtra, India <b>Tel:</b> +91 22 6136 3400 <b>Email:</b> tn.kumar@jmfl.com / sona.verghese@jmfl.com	100	0.13
<b>Total</b>	<b>3,227,344</b>	<b>4,060.00</b>

*The above-mentioned amount is indicative and will be finalised after finalisation of the Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.*

In the opinion of our Board (based on representations given by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or are registered as brokers with the Stock Exchange(s). The Board of Directors/ IPO Committee, at its meeting, held on February 13, 2024, has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in the proportion of their underwriting commitments set forth in the table above. Notwithstanding the above table, each of the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to Bidders procured by them, in accordance with the Underwriting Agreement.

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 for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement.

**[Remainder of this page intentionally kept blank]**

## CAPITAL STRUCTURE

The share capital of our Company, as of the date of this Prospectus, is set forth below.

(In ₹, except share data)

Sr. No.	Particulars	Aggregate nominal value	Aggregate value at offer price*
<b>A. AUTHORISED SHARE CAPITAL<sup>#</sup></b>			
	74,570,000 Equity Shares of face value of ₹ 10 each	745,700,000	-
	565,847,000 Series A1 CCPS of face value of ₹ 10 each	5,658,470,000	-
	193,564,100 Series A2 CCPS of face value of ₹ 10 each	1,935,641,000	-
	3,996,900 Series A3 CCPS of face value of ₹ 10 each	39,969,000	-
	36,372,000 Series A4 CCPS of face value of ₹ 10 each	363,720,000	-
	100,000,000 Series A5 CCPS of face value of ₹ 10 each	1,000,000,000	-
	<b>Total</b>	<b>9,743,500,000</b>	<b>-</b>
<b>B. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER</b>			
	35,543,198 Equity Shares of face value of ₹ 10 each	355,431,980	-
	<b>Total</b>	<b>355,431,980</b>	<b>-</b>
<b>C. PRESENT OFFER</b>			
	Offer of 12,725,244 <sup>^</sup> Equity Shares aggregating to ₹ 16,000 <sup>^</sup> million <sup>(1)(2)</sup>	127,252,440	16,000 million
	<i>Of which:</i>		
	Fresh Issue of 7,955,769 <sup>^</sup> Equity Shares aggregating to ₹ 10,000 <sup>^</sup> million <sup>(1)</sup>	79,557,690	10,000 million
	Offer for Sale to 4,769,475 <sup>^</sup> Equity Shares aggregating to ₹ 6,000 <sup>^</sup> million by the Selling Shareholders <sup>(2)</sup>	47,694,750	6,000 million
	<i>which includes:</i>		
	Employee reservation portion of 70,237 <sup>^</sup> Equity Shares aggregating to ₹ 80 <sup>^</sup> million <sup>(3)</sup>	702,370	80 million
	Net Offer of 12,655,007 <sup>^</sup> Equity Shares aggregating to ₹ 15,920 <sup>^</sup> million	126,550,070	15,920 million
<b>D. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER</b>			
	43,498,967 <sup>^</sup> Equity Shares of face value of ₹ 10 each	43,498,9670	-
<b>E. SECURITIES PREMIUM ACCOUNT</b>			
	Before the Offer (in ₹ million)		6,831.67
	After the Offer* (in ₹ million)		16,752.11

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

<sup>#</sup> For details of changes in the authorised share capital of our Company, see "History and Certain Corporate Matters – Amendments to our MoA", on page 210.

<sup>\*</sup>Not adjusted for Offer-related expenses and calculated assuming full subscription in the Employee Reservation Portion.

- (1) The Fresh Issue has been authorised by our Board pursuant to resolutions dated August 25, 2023, and September 7, 2023, and by our shareholders pursuant to the resolution passed on September 7, 2023.
- (2) Each of the Selling Shareholders, severally and not jointly, confirms that its portion of the Offered Shares and where applicable, the CCPS which have been converted into its respective portion of Offered Shares, have been held by it for a period of at least one year prior to filing of the Draft Red Herring Prospectus and are eligible for the Offer for Sale in accordance with the provisions of the SEBI ICDR Regulations. In accordance with Regulation 8A of the SEBI ICDR Regulations: (i) Selling Shareholders holding, individually or with persons acting in concert, more than 20% of pre-issue shareholding of the Company (on a fully-diluted basis), shall not exceed more than 50% of their respective pre-issue shareholding (on a fully-diluted basis) and (ii) Selling Shareholders holding, individually or with persons acting in concert, less than 20% of pre-issue shareholding of the Company (on a fully-diluted basis), shall not exceed more than 10% of the pre-issue shareholding of the Company (on a fully-diluted basis). The Offer for Sale has been taken on record by our Board pursuant to resolution dated August 25, 2023, and February 5, 2024. The Selling Shareholders have confirmed and approved its participation in the Offer for Sale as set out below:

Sr. No.	Selling Shareholder	Aggregate amount of Offer for Sale (₹ million) <sup>^</sup>	Number of Equity Shares offered in the Offer for Sale <sup>^</sup>	Date of resolution of the board/committee of executive directors	Date of consent letter
1.	Prabhat Agrawal	591.52	470,210	N/A	February 1, 2024

Sr. No.	Selling Shareholder	Aggregate amount of Offer for Sale (₹ million)^	Number of Equity Shares offered in the Offer for Sale^	Date of resolution of the board/ committee of executive directors	Date of consent letter
2.	Prem Sethi	394.35	313,472	N/A	February 1, 2024
3.	OrbiMed Asia III Mauritius Limited	4,800.00	3,815,580	August 25, 2023	February 1, 2024
4.	Chethan M. P.	5.54	4,401	N/A	August 25, 2023
5.	Deepesh T. Gala	1.66	1,320	N/A	August 25, 2023
6.	Hemant Jose Barros	11.07	8,802	N/A	August 25, 2023
7.	Hemant Jaggi	5.54	4,401	N/A	August 25, 2023
8.	K.R.V.S. Varaprasad	2.77	2,201	N/A	August 25, 2023
9.	K.E. Prakash	49.83	39,610	N/A	August 25, 2023
10.	Lavu Sahadev	1.66	1,320	N/A	August 25, 2023
11.	Manoj K Sanghani	15.23	12,103	N/A	August 25, 2023
12.	Millennium Medicare Private Limited	11.07	8,802	August 17, 2023	August 25, 2023
13.	K. Naveen Kumar Gupta	2.77	2,201	N/A	August 25, 2023
14.	Novacare Drug Specialities Private Limited	53.15	42,250	August 21, 2023	August 25, 2023
15.	Petros Diamantides	18.96	15,074	N/A	August 25, 2023
16.	Prashanth Ravindrakumar	16.61	13,203	N/A	August 25, 2023
17.	Suraj Prakash Atreja	1.39	1,102	N/A	August 25, 2023
18.	Venkata Ramana Siva Kumar Yanamadala	1.66	1,320	N/A	August 25, 2023
19.	Vikramaditya Ambre	15.23	12,103	N/A	August 25, 2023

^Subject to finalisation of Basis of Allotment

- (3) Our Company in consultation with the BRLMs, offered an Employee Discount of ₹119 per Equity Share, which was announced at least two Working Days prior to the Bid/Offer Opening Date. Eligible Employees bidding in the Employee Reservation Portion were required to ensure that the maximum Bid Amount does not exceed ₹500,000 (net of Employee Discount). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000 (net of Employee Discount). Only in the event of an undersubscription in the Employee Reservation Portion post the 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 (net of Employee Discount), subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (net of Employee Discount).

## Notes to the capital structure

### 1. Share Capital History

#### A. 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	Number of Equity Shares allotted	Details of allottees		Face value (₹)	Offer price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share Capital (₹)
January 10, 2018	100,000	Prabhat Agrawal	50,000	10	10	Cash	Initial subscription to the Memorandum of Association	100,000	1,000,000
		Prem Sethi	50,000						
August 1, 2018**#	200	OrbiMed Asia III Mauritius Limited	100	10	10	Cash	Private Placement	100,200	1,002,000
		IM Investments Trust	100						
November 9, 2021	3,750,000	Prabhat Agrawal	2,500,000	10	10	Cash	Private Placement	3,850,200	38,502,000
		Prem Sethi	1,250,000						
September 12, 2022	261,327	Prabhat Agrawal	173,756	10	10	Cash	Rights Issue	4,111,527	41,115,270
		IM Investments Trust	7						
		OrbiMed Asia III Mauritius Limited	7						

Date of allotment	Number of Equity Shares allotted	Details of allottees		Face value (₹)	Offer price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share Capital (₹)
		Prem Sethi	87,557						
July 12, 2023	11,955,359	OrbiMed Asia III Mauritius Limited	8,543,198	10	Not Applicable*	Cash	Allotment pursuant to conversion of Series A1, A2 and A4 CCPS	16,066,886	160,668,860
		Prasid Uno Family Trust (through trustees Surbhi Singh and Universal Trustee Private Limited)	2,917,188						
		Prabhat Agrawal	8,145						
		Prem Sethi	5,430						
		Novacare Drug Specialities Private Limited	111,131						
		Manoj K Sanghani	31,835						
		Vikramaditya Ambre	31,835						
		K.E. Prakash	97,563						
		Chethan M. P.	10,840						
		Prashanth Ravindrakumar	34,729						
		Venkata Ramana	3,473						



Date of allotment	Number of Equity Shares allotted	Details of allottees		Face value (₹)	Offer price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share Capital (₹)
		Siva Kumar Yanamada							
		Lavu Sahadev	3,473						
		Hemant Jaggi	11,576						
		Hemant Jose Barros	21,681						
		Millennium Medicare Private Limited	23,152						
		Deepesh T. Gala	3,473						
		K.R.V.S. Varaprasad	5,788						
		K. Naveen Kumar Gupta	5,788						
		Suraj Prakash Atreja	2,715						
		Petros Diamantides	39,631						
		Sambit Mohanty	3,801						
		Abhitesh Kumar	1,810						
		Balakrishnan Natesan Kaushik	905						
		Amit Milap Chauhan	1,810						
		Rajiv Khanna	905						

Date of allotment	Number of Equity Shares allotted	Details of allottees		Face value (₹)	Offer price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share Capital (₹)
		Jayant Prakash	1,991						
		Prashant Paleja	3,620						
		CV Ram	1,810						
		Amit Ashok Katariya	1,629						
		Abhishek Gajanan Samant	1,810						
		Siddharth Pradeep Upadhyay	543						
		Vasireddy Phani Rajasekhar Babu	2,715						
		Manoj Kumar Chuniyal	905						
		Jagmohan Singh	905						
		Gaurav Kumar	1,810						
		Niju Plamin Ebenezer	724						
		Alikes Awasthi	1,991						
		Sharad Jaiswal	362						
		Aayan Lunkad	860						
		Kailash Chand Jain	90						

Date of allotment	Number of Equity Shares allotted	Details of allottees		Face value (₹)	Offer price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share Capital (₹)
		Manoj Kumar Jain Lunkad	860						
		Sivakumar Narasimhan	1,810						
		Polisetty Suresh Kumar	1,810						
		Rohan Bhandari	603						
		Sanjeev Kumar	603						
		Bharath Bhandari	603						
		Varun Reddy Dasari	905						
		Dasari Mahidhar Reddy	905						
		Deval M. Bhavsar	905						
		Mitesh B. Bhavsar	905						
		Shahbaz Ahmad Siddiqui	1,810						
January 27, 2024	19,476,312	Orbimed Asia III Mauritius Limited	11,811,204	10	Not applicable	Cash*	Allotment pursuant to conversion of A1, A2, A3, A4, and A5 CCPS to Equity Shares	35,543,198	355,431,980
		Prasid Uno Family Trust (Through trustees Ms. Surbhi	4,033,025						

Date of allotment	Number of Equity Shares allotted	Details of allottees		Face value (₹)	Offer price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share Capital (₹)
		Singh and Universal Trustee Private Limited)							
		Prabhat Agrawal	1,756,704						
		Prem Sethi	1,170,327						
		Novacare Drug Specialties Private Limited	157,252						
		Manoj Sanghani	45,047						
		Vikramaditya Ambre	45,047						
		Kulambi Eswarappa Prakash	130,695						
		Chethan Malalkere Prakash	14,256						
		Prashanth Ravindrakumar	49,142						
		Venkata Ramana Siva Kumara Yanamada	4,914						
		Lavu Sahadev	4,914						
		Hemant Jaggi	16,381						
		Hemant Barros	30,679						

Date of allotment	Number of Equity Shares allotted	Details of allottees		Face value (₹)	Offer price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share Capital (₹)
		Millennium Medicare Private Limited	32,775						
		Deepesh T. Gala	4,914						
		Katragadda Raja Venkata Subrahmanya Varaprasad	8,190						
		Naveen Kumar Gupta Kolluru	8,194						
		Suraj Atreja	3,844						
		Petros Diamantides	56,102						
		Sambit Mohanty	10,227						
		Abhitesh Kumar	12,861						
		Balakrishnan Natesan Kaushik	1,282						
		Amit Chauhan	2,561						
		Rajiv Khanna	1,281						
		Jayant Prakash	3,423						
		Prashant Navinchandra Paleja	5,122						

Date of allotment	Number of Equity Shares allotted	Details of allottees		Face value (₹)	Offer price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share Capital (₹)
		Venkataramana Ram Chebolu	5,591						
		Amit Katariya	4,730						
		Abhishek Samant	2,562						
		Siddharth Upadhyay	3,192						
		V PhaniRaja SekharBabu	3,842						
		Manoj Kumar Chuniyal	1,281						
		Jagmohan Sing	1,281						
		Gaurav Kumar	2,561						
		Niju Plamin Ebenezer	1,025						
		Alikesht Awasthi	2,818						
		Sharad Jaiswal	512						
		Aayan Lunkad	1,216						
		Kailashchand Jain	128						
		Manoj Kumar Jain	1,216						
		Narasimhan Sivakumar	2,561						
		Suresh Kumar Polisetty	2,562						

Date of allotment	Number of Equity Shares allotted	Details of allottees		Face value (₹)	Offer price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share Capital (₹)
		Rohan Bhandari	853						
		Sanjeev Kumar	853						
		Bharath Bhandari	853						
		Varun Reddy	2,372						
		Mahidhar Reddy	2,614						
		Deval Bhavsar	1,281						
		Mitesh Bhavsar	1,281						
		Shahbaz Ahmad Siddiqui	2,561						
		Govind Sharma	606						
		Muniswamy Gautham	606						
		Hema Kiran Raju Dandu	1,090						
		Sundaramorthy Baskar	485						
		Ramachandran Rajesh	2,423						
		Praveen Mujumdar Gurunath Rao	387						
		Miren Jakharia	606						
<b>Total</b>								<b>35,543,198</b>	<b>355,431,980</b>

\* Consideration for such allotment of equity shares was paid at the time of allotment of CCPS.

\*\* There were certain inaccuracies in the board resolution filed as an attachment to the Form PAS-3 for this allotment. We had accordingly filed Form GNL-2 with the RoC, to rectify the errors therein, which

have been approved by the RoC. For further details, please see “**Risk Factors – We have made certain errors in our form filings in the past, in relation to our capital structure and amendments to our memorandum of association, with the Registrar of Companies.**” on page 49.

<sup>#</sup> We have been unable to trace the Form FC-GPR filing for this allotment. We have accordingly relied on the copies of the RBI acknowledgments available with us. For further details, please see “**Risk Factors – We are unable to trace the Form FC-GPR filing for one of our past allotments of Equity Shares and CCPS.**” on page 50.

**B. History of preference share capital of our Company**

There are no outstanding preference shares as on the date of this Prospectus.

*[Remainder of the page is intentionally left blank]*



**C. Shares issued for consideration other than cash or out of revaluation reserves**

Our Company has not issued any Equity Shares for consideration other than cash or out of revaluation of reserves.

**D. Issue of Equity Shares pursuant to schemes of arrangement**

As of the date of this Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme of arrangement approved under sections 391-394 of the Companies Act, 1956 or sections 230-234 of the Companies Act, 2013, as applicable.

**E. Issue of Equity Shares at a price lower than the Offer Price in the last year**

Except as stated under “Notes to the capital structure”, our Company has not issued any Equity Shares which may be lower than the Offer Price during the period of one year preceding the date of this Prospectus.

**F. Issue of Equity Shares under employee stock option schemes**

As of the date of this Prospectus, our Company has not issued Equity Shares under the employee stock option scheme or employee stock purchase scheme.

**2. History of build-up of Promoter’s shareholding and lock-in of Promoter’s shareholding including Promoter’s contribution)**

As on the date of this Prospectus, our Promoters hold, in aggregate 27,406,428 Equity Shares, which constitute 77.11% of the issued, subscribed and (paid-up) equity share capital of our Company. The details regarding our Promoters’ shareholding are set out below:

**a) Build-up of Promoter’s shareholding in our Company**

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

Date of allotment/transfer	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue/ acquisition / transfer price per Equity Share (₹)	Nature of consideration	Nature of transaction	% of the pre-Offer Equity Share capital	% of the post-Offer Equity Share capital#
<b>Prabhat Agrawal</b>							
January 10, 2018	50,000	10	10	Cash	Initial subscription to the Memorandum of Association.	0.14%	0.11%
May 22, 2018	5,000	10	10	Cash	Transferred from Prem Sethi	0.01%	0.01%
July 17, 2018	5,000	10	10	Cash	Transferred from Prem Sethi	0.01%	0.01%
November 9, 2021	2,500,000	10	10	Cash	Private Placement	7.03%	5.75%
September 12, 2022	173,756	10	10	Cash	Rights issue	0.49%	0.40%
July 12, 2023	8,145	10	Not applicable	Cash*	Allotment pursuant to conversion of CCPS to	0.02%	0.02%

Date of allotment/transfer	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue/acquisition / transfer price per Equity Share (₹)	Nature of consideration	Nature of transaction	% of the pre- Offer Equity Share capital	% of the post- Offer Equity Share capital#
January 27, 2024	1,756,704	10	Not applicable	Cash*	Equity Shares Allotment pursuant to conversion of A3, A4 and A5 series CCPS to Equity Shares	4.94%	4.04%
<b>Sub-Total</b>	4,498,605					12.66%	10.34%
<b><i>Prem Sethi</i></b>							
January 10, 2018	50,000	10	10	Cash	Initial subscription to the Memorandum of Association.	0.14%	0.11%
May 22, 2018	(5,000)	10	10	Cash	Transferred to Prabhat Agrawal	(0.01%)	(0.01%)
July 17, 2018	(5,000)	10	10	Cash	Transferred to Prabhat Agrawal	(0.01%)	(0.01%)
November 9, 2021	1,250,000	10	10	Cash	Private Placement	3.52%	2.87%
September 12, 2022	87,557	10	10	Cash	Rights issue	0.25%	0.20%
July 12, 2023	5,430	10	Not applicable	Cash*	Allotment pursuant to conversion of CCPS to Equity Shares	0.02%	0.01%
January 27, 2024	1,170,327	10	Not applicable	Cash*	Allotment pursuant to conversion of A3, A4 and A5 series CCPS to Equity Shares	3.29%	2.69%
<b>Sub-Total</b>	2,553,314					7.18%	5.87%
<b><i>OrbiMed Asia III Mauritius Limited</i></b>							
August 1, 2018	100	10	10	Cash	Private Placement	Negligible	Negligible
September 12, 2022	7	10	10	Cash	Rights issue	Negligible	Negligible
July 12, 2023	8,543,198	10	Not applicable	Cash*	Allotment pursuant to conversion of Series A1, A2 and A4 CCPS to Equity Shares	24.04%	19.64%
January 27, 2024	11,811,204	10	Not applicable	Cash*	Allotment pursuant to conversion of A1 and A5 series CCPS	33.23%	27.15%

Date of allotment/transfer	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue/acquisition / transfer price per Equity Share (₹)	Nature of consideration	Nature of transaction	% of the pre- Offer Equity Share capital	% of the post- Offer Equity Share capital#
					to Equity Shares		
<b>Sub-Total</b>	20,354,509					57.27%	46.79%

100% of the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.

\* Consideration for such allotment of equity shares was paid at the time of allotment of CCPS.

#Subject to finalisation of Basis of Allotment and not adjusted for the Equity Shares offered by the Promoters in the Offer for Sale.

As of the date of this Prospectus, none of the Equity Shares held by our Promoters is pledged or is otherwise encumbered.

**b) Shareholding of our Promoters and the members of our Promoter Group**

Set forth below is the equity shareholding of our Promoters, Directors of our Company and our Corporate Promoter, and Promoter Group as on the date of this Prospectus:

Name of shareholder		Pre-Offer		Post Offer#	
		No. of Equity Shares	Percentage of pre-Offer capital	No. of Equity Shares#	Percentage of post-Offer capital#
<b>Promoters</b>					
1.	Prabhat Agrawal	4,498,605	12.66%	4,028,395	9.26%
2.	Prem Sethi	2,553,314	7.18%	2,239,842	5.15%
3.	OrbiMed Asia III Mauritius Limited	20,354,509	57.27%	16,538,929	38.02%
<b>Members of Promoter Group</b>					
NIL					
<b>Directors of our Corporate Promoter</b>					
1.	Sam Block III	Nil	Nil	Nil	Nil
2.	Harish Sumsurooah	Nil	Nil	Nil	Nil
3.	Chettensingh Awotarsing	Nil	Nil	Nil	Nil
4.	Ashish D. Jagarnath	Nil	Nil	Nil	Nil

# Subject to finalisation of Basis of Allotment.

**c) Details of Promoter's contribution locked in for eighteen months**

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters (assuming full conversion of the vested options, if any, under the ESOP Scheme), except for the Equity Shares offered by Prabhat Agrawal, Prem Sethi and OrbiMed Asia III Mauritius Limited pursuant to the Offer for Sale, shall be considered as minimum promoter's contribution and locked-in for a period of eighteen (18) months from the date of Allotment ("Promoter's Contribution"). Our Promoters' shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of six (6) months from the Allotment. Our Company had further filed an exemption application with SEBI seeking relaxation under Regulation 300(1) of the SEBI ICDR Regulations for eligibility of Equity Shares arising from the conversion of CCPS (that were fully paid and held by the Promoters for a continuous period of more than one year), for computation of minimum promoters' contribution in terms of Regulation 15 of the SEBI ICDR Regulations, to the extent there is a shortfall in meeting the minimum Promoters' contribution requirement. For further details, see "Summary of the Offer Document" on page 26. Accordingly, such relaxation was granted for computing minimum promoter's contribution vide the SEBI letter dated September 1, 2023.

Our Promoters have given consent, pursuant to their letters each dated February 13, 2024 to include such number of Equity Shares held by them, in aggregate, as may constitute 20% of the fully diluted post-Offer Equity Share

capital of our Company as Promoter's Contribution. Our Promoters have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner the Promoter's Contribution from the date of the Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations. Details of Promoter's Contribution are as provided below:

Name of the Promoter	No. of Equity Shares	No. of Equity Shares locked-in**	Date of allotment/ Transfer <sup>^</sup>	Face value per Equity Share (₹)	Allotment/ Acquisition price per Equity Share (₹)	Nature of transaction	% of the fully diluted post- Offer paid-up Capital <sup>#</sup>	Date up to which the Equity Shares are subject to lock-in
OrbiMed Asia III Mauritius Limited	20,354,509	2,705,565	August 1, 2018	10	10	Private Placement of 100 Equity Shares	6.22%	August 16, 2025
			September 12, 2022	10	10	Allotment of 7 Equity Shares pursuant to right issue		
			August 1, 2018	10	10	Conversion of CCPS into 8,543,198 Equity Shares		
Prabhat Agrawal	4,498,605	3,772,454	January 10, 2018	10	10	50,000 Equity Shares pursuant to subscription to MOA	8.67%	August 16, 2025
			May 22, 2018	10	10	Transfer of 5,000 Equity Shares		
			July 17, 2018	10	10	Transfer of 5,000 Equity Shares		
			November 9, 2021	10	10	Private Placement of 2,500,000 Equity Shares		
			September 12, 2022	10	10	Allotment of 173,756 Equity Shares pursuant to rights issue		
			September 24, 2018	10	10.70	Conversion of CCPS into 1,736,845 Equity Shares		
			September 12, 2022					
Prem Sethi	2,553,314	2,221,981	January 10, 2018	10	10	Allotment of 50,000 Equity Shares pursuant to subscription to MOA	5.11%	August 16, 2025
			November 9, 2021	10	10	Private Placement of 1,250,000 Equity Shares		
			September 12, 2022	10	10	Right Issue of 87,557 Equity Shares		
			September 24, 2018	10	10.70	Conversion of CCPS into 1,157,896 Equity Shares		
			September 12, 2022					
<b>Total</b>	<b>27,406,428</b>	<b>8,700,000</b>	-	-	-	-	<b>20.00%</b>	-

<sup>#</sup> Subject to finalisation of Basis of Allotment.

<sup>^</sup> Date of allotment of CCPS is considered as the date of allotment for equity shares arising out of conversion of CCPS as per the SEBI exemption letter dated September 01, 2023.

\*\* All Equity Shares were fully paid-up at the time of acquisition.

Our Company undertakes that the Equity Shares being locked-in for computation of Promoter's 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:

- (i) Equity Shares acquired during the three years preceding the date of this Prospectus (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets, or (b) as a result of bonus shares issued by utilization of revaluation reserves or unrealised profits of the Company or from bonus issue against Equity Shares which are otherwise ineligible for computation of Promoter's Contribution;
- (ii) Equity Shares acquired during the one year immediately preceding the date of this Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
- (iii) Our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm into a company and hence no Equity Shares have been issued in the one year immediately preceding the date of this Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer pursuant to conversion from a partnership firm;
- (iv) The Equity Shares held by the Promoter that are subject to any pledge or any other form of encumbrance; and
- (v) All the Equity Shares held by our Promoters is in dematerialised form as on the date of this Prospectus.

### **3. Details of share capital locked-in for six months**

In terms of Regulation 17 of the SEBI ICDR Regulations, the entire pre- Offer Equity Share capital of our Company, shall be locked in for a period of six months from the date of Allotment in the Offer, except for:

- (i) the Promoter's Contribution which shall be locked in as above;
- (ii) the Equity Shares sold or transferred by the Selling Shareholders pursuant to the Offer for Sale;
- (iii) any Equity Shares held by eligible employees of our Company (whether currently employees or not) which may be allotted to them under the ESOP Scheme prior to the Offer;
- (iv) any Equity Shares held by an employee stock option trust or transferred to the employees by an employee stock option trust pursuant to exercise of options by the employees, whether currently employees or not, in accordance with the employee stock option plan or employee stock purchase scheme; and
- (v) any Equity Shares held by a registered VCF, category I AIFs, category II AIFs or FVCIs, as applicable. However, such Equity Shares shall be locked-in for a period of at least six months from the date of purchase by such VCF or category I AIFs, category II AIFs or FVCI.

The entire pre-Offer Equity Share capital of our Company (including those Equity Shares held by our Promoter in excess of Promoter's Contribution), shall be locked in for a period of six months from the date of Allotment, as a majority of the Net Proceeds are not proposed to be utilized for capital expenditure. Any unsubscribed portion of the Equity Shares being offered by the Selling Shareholders in the Offer for Sale would also be locked-in as required under the SEBI ICDR Regulations.

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoter and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a housing finance company, subject to the following:

- (i) with respect to the Equity Shares locked-in as the minimum Promoter's Contribution for 18 months from the date of Allotment, the loan must have been granted to our Company or its Subsidiaries for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer. See "*Objects of the Offer*" on page 116;
- (ii) with respect to the Equity Shares locked-in for six months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters which are locked-in, may be transferred to and amongst any other Promoter, member of the Promoter Group or to any new promoters, subject to continuation of lock-in in the hands of the transferees for the remaining period and compliance with provisions of the Takeover Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired.

Further, the Equity Shares held by persons other than our Promoters and locked-in for a period of six months from the date of Allotment in the Offer, may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of the transferee for the remaining period and compliance with provisions of the Takeover Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired.

Additionally, in accordance with Regulation 8A of the SEBI ICDR Regulations, as the Offer is in compliance with Regulation 6(2), the relaxation from lock-in period provided under Regulation 17(c) of the SEBI ICDR Regulations shall not be available to any shareholder(s) holding, individually or with persons acting in concert, more than 20% of pre-Offer shareholding of our Company on fully diluted basis. Any unsubscribed portion of the Offered Shares would also be locked-in as required under the SEBI ICDR Regulations.

#### ***Lock-in of Equity Shares Allotted to Anchor Investors***

50% of the Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion will be locked-in for a period of 30 days from the date of Allotment, and the remaining 50% of Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion will be locked-in for a period of 90 days from the date of Allotment.

#### **4. Sales or purchases of Equity Shares or other specified securities of our Company by our Promoter, directors of our Corporate Promoter, the other members of our Promoter Group or our Directors or their relatives during the six months immediately preceding the date of this Prospectus.**

None of our Promoters, directors of our Corporate Promoter, members of our Promoter Group, our Directors or their relatives have sold or purchased any Equity Shares or other specified securities of our Company during the period of six months immediately preceding the date of the Red Herring Prospectus and this Prospectus.

*[Remainder of this page intentionally left blank]*

## 5. Shareholding Pattern of our Company

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

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) = (IV) + (V) + (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Number of Equity 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 Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of voting rights		Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class: Equity Shares	Total								
(A)	Promoter and Promoter Group	3	27,406,428	-	-	27,406,428	77.11%	27,406,428	27,406,428	77.11%	-	77.11%	-	-	-	-	27,406,428
(B)	Public	55	8,136,770	-	-	8,136,770	22.89%	8,136,770	8,136,770	22.89%	-	22.89%	-	-	-	-	8,136,770
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	58	35,543,198	-	-	35,543,198	100.00%	35,543,198	35,543,198	100.00%	-	100.00%	-	-	-	-	100.00%

6. As on the date of this Prospectus, our Company has 58 holders of Equity Shares.

**7. Equity Shares held by the Shareholders holding 1% or more of the paid-up capital of our Company**

The Shareholders holding 1% or more of the equity paid-up capital of our Company as on the date of this Prospectus are as follows:

Sr. No.	Name of Shareholder	No. of Equity Shares	Percentage of pre-Offer capital
1.	Prabhat Agrawal	4,498,605	12.66%
2.	Prem Sethi	2,553,314	7.18%
3.	OrbiMed Asia III Mauritius Limited	20,354,509	57.27%
4.	PUFT	6,950,320	19.55%
	Total	<b>34,356,748</b>	<b>96.66%</b>

The Shareholders holding 1% or more of the equity paid-up capital of our Company ten days prior to the filing of this Prospectus are as follows:

Sr. No.	Name of Shareholder	No. of Equity Shares	Percentage of pre-Offer capital
1.	Prabhat Agrawal	4,498,605	12.66%
2.	Prem Sethi	2,553,314	7.18%
3.	OrbiMed Asia III Mauritius Limited	20,354,509	57.27%
4.	PUFT	6,950,320	19.55%
	Total	<b>34,356,748</b>	<b>96.66%</b>

The Shareholders holding 1% or more of the equity paid-up capital of our Company as on one year prior to the date of this Prospectus are as follows:

Sr. No.	Name of Shareholder	No. of Equity Shares	Percentage of pre-Offer capital
1.	Prabhat Agrawal	2,733,756	66.49%
2.	Prem Sethi	1,377,557	33.51%
3.	OrbiMed Asia III Mauritius Limited	107	0.00%
4.	IM Investments Trust	107	0.00%
	Total	<b>4,111,527</b>	<b>100.00%</b>

The Shareholders holding 1% or more of the equity paid-up capital of our Company as on two years prior to filing of this Prospectus are as follows:

Sr. No.	Name of Shareholder	No. of Equity Shares	Percentage of pre-Offer capital
1.	Prabhat Agrawal	2,560,000	66.49%
2.	Prem Sethi	1,290,000	33.51%
3.	OrbiMed Asia III Mauritius Limited	100	0.00%
4.	IM Investments Trust	100	0.00%
	Total	<b>3,850,200</b>	<b>100.00%</b>

**8. ESOP Scheme**

Our Company, pursuant to the resolutions passed by our Board on August 26, 2023, and our Shareholders on September 7, 2023, adopted the Entero Employee Stock Option Plan 2023' ("ESOP Scheme").

The ESOP Scheme shall be effective from September 7, 2023. The maximum aggregate number of the Equity Shares which may be subject to option and granted by our Company under the ESOP Scheme should not exceed 397,990 of the diluted paid-up Equity Shares of our Company. Each option granted to the employee under the ESOP Scheme shall entitle the employee to subscribe to one Equity Share in our Company, upon payment of exercise price as set



out in the ESOP Scheme. Further, the ESOP Scheme is in compliance with the SEBI SBEB and Sweat Equity Regulations.

As on date of this Prospectus, under the ESOP Scheme, a cumulative of 240,700 options have been granted.

The details of the ESOP Scheme, as certified by N B T and Co, Chartered Accountants, Chartered Accountants, (Firm Registration Number: 140489W) through a certificate dated February 13, 2024, are as follows:

Particulars	From the date of adoption of ESOP Scheme to the date of this Prospectus		
Total options outstanding as at the beginning of the period	NIL		
Total options granted	240,700		
Total options vested (excluding options that have been exercised)	NIL		
Options exercised	NIL		
Exercise price of options in ₹ (as on the date of grant options)	804/-		
Total number of Equity Shares that would arise as a result of exercise of options granted (including options that have been exercised)	240,700		
Options forfeited/ lapsed/ cancelled	4,000		
Variation in terms of options	NIL		
Money realised by exercise of options	NIL		
Total number of options outstanding in force	236,700		
Description of the pricing formula and the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option	Fair Market Value as approved by the Nomination and Remuneration Committee in concurrence with our Board as on the date of the grant of options		
Employee wise details of options granted to:			
Key Managerial Personnel and Senior Management Personnel	<b>Category</b>	<b>Name</b>	<b>Total no. of options granted</b>
	Key Managerial Personnel	Jayant Prakash	5,800
		CV Ram	36,100
	Senior Management	Shashwat Nigam	22,800
Sambit Mohanty		7,900	
Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year	NIL		
Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	NIL		
Fully diluted EPS on a pre-Offer basis on exercise of options calculated in accordance with Ind AS 33 'Earning Per Share' (₹)	Not determinable at this stage		
Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognized if our Company had used fair value of options and impact of this difference on profits and EPS of our Company	The Company has recognised the employee compensation cost using fair value option. Hence, there is no differential impact of the same on profits and EPS of the Company.		
Impact on profits and EPS of the last three years if our Company had followed the accounting policies specified in the SEBI SBEB and Sweat Equity Regulations in respect of options granted in the last three years	Not Applicable		
Intention of the existing Key Managerial Personnel, Senior Management and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	Not Applicable		

Particulars	From the date of adoption of ESOP Scheme to the date of this Prospectus
Intention to sell Equity Shares arising out of ESOP within three months after the listing of Equity Shares, by Directors, Key Managerial Personnel and Senior Management and employees having Equity Shares arising out of the ESOP, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions) of our Company	Not Applicable

9. None of the Equity Shares being offered for sale through the Offer for Sale are pledged or otherwise encumbered, as on the date of this Prospectus.
10. Our Company, our Directors and the BRLMs have not made or entered into any buy-back arrangements for the purchase of Equity Shares.
11. Neither the BRLMs and nor their respective associates as defined in the SEBI Merchant Bankers Regulations, hold any Equity Shares as on the date of filing of this Prospectus.
12. No person connected with the Offer, including, but not limited to the BRLMs, the Syndicate Members, our Company, the Promoter, our Directors, or the members of the Promoter Group, shall offer or make payment of any incentive, whether direct or indirect, in the nature of discount, commission and allowance, except for fees or commission for services rendered in relation to the Offer, in any manner, whether in cash or kind or services or otherwise, to any Bidder for making a Bid.
13. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing this Prospectus. The Equity Shares to be issued or transferred pursuant to the Offer shall be fully paid-up at the time of Allotment, failing which they may be forfeited for non-payment of calls within twelve months from the date of allotment of securities.
14. All the shares held by our Promoters are in dematerialised form as on the date of this Prospectus.
15. Other than the outstanding stock options under the ESOP Scheme, 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 Prospectus.
16. Except for the Equity Shares to be allotted pursuant to (i) the Fresh Issue; (ii) Offer for Sale, and (iii) any issue of Equity Shares pursuant to exercise of options granted under the ESOP Scheme, our Company presently does not intend or propose or is under negotiation or consideration to alter its capital structure for a period of six months from the Bid/ Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable for, directly or indirectly into Equity Shares), whether on a preferential basis or issue of bonus or rights or further public issue of Equity Shares. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.
17. There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc, as the case may be, other than in connection with: (i) the Offer; or (ii) any issue of Equity Shares pursuant to exercise of options granted under the ESOP Scheme.
18. During the period of six months immediately preceding the date of filing of this Prospectus, no financing arrangements existed whereby our Promoter, directors of our Corporate Promoter, other members of our Promoter Group, our Directors or their relatives have financed the purchase of securities of our Company by any other person other than in the normal course of the business of the financing entity.
19. Except as disclosed under “– *Shareholding of our Promoters and the members of our Promoter Group*” and as stated below, none of our Directors, KMPs and SMPs hold any Equity Shares in our Company:

Name of shareholder	Pre-Offer		Post Offer <sup>#</sup>	
	No. of Equity Shares	Percentage of pre-Offer capital	No. of Equity Shares <sup>#</sup>	Percentage of post-Offer capital <sup>#</sup>
<b>KMPs</b>				
CV Ram	7,401	0.02%	7,401	0.02%
Jayant Prakash	5,414	0.02%	5,414	0.01%
<b>SMPs</b>				
Sambit Mohanty	14,028	0.04%	14,028	0.03%

<sup>#</sup> Subject to finalisation of Basis of Allotment.

20. Our Promoter and members of our Promoter Group will not submit Bids, or otherwise participate in this Offer. None of the members of Promoter Group will participate in the Offer.
21. The Promoter and members of our Promoter Group will not receive any proceeds from the Offer, except to the extent of participation as a Selling Shareholder in the Offer for Sale.
22. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
23. The BRLMs and any associates of the BRLMs, or Syndicate Members, or any person related to the promoter/promoter group, cannot apply in the Offer under the Anchor Investor Portion, except for Mutual Funds sponsored by entities which are associates of the BRLMs, or insurance companies promoted by entities which are associates of the BRLMs or AIFs sponsored by the entities which are associate of the Book Running Lead Managers or a FPI (other than individuals, corporate bodies and family offices) which are associates of the BRLMs or pension funds sponsored by entities which are associates of the BRLMs.
24. Our Company shall ensure that transactions in the Equity Shares by the Promoter and the Promoter Group, if any, during the period between the date of filing of the Draft Red Herring Prospectus and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of the transactions.
25. Any oversubscription to the extent of 1% of the Offer size can be retained for the purposes of rounding off to the nearest multiple of minimum allotment lot while finalising the Basis of Allotment.

## OBJECTS OF THE OFFER

The Offer comprises of the Fresh Issue of 7,955,769<sup>#</sup> Equity Shares, aggregating to ₹ 10,000<sup>#</sup> million by our Company and an Offer for Sale of 4,769,475<sup>#</sup> Equity Shares aggregating to ₹6,000<sup>#</sup> million by the Selling Shareholders.

<sup>#</sup>Subject to finalisation of Basis of Allotment

### Offer for Sale

The proceeds of the Offer for Sale shall be received by the Selling Shareholders. Our Company will not receive any proceeds from the Offer for Sale. Each of the Selling Shareholders will be entitled to the Offer Proceeds, to the extent of the Equity Shares offered by them in the Offer, net of their respective share of the Offer related expenses. For further details of the Offer for Sale, see “The Offer” on page 72.

### Objects of the Fresh Issue

Our Company proposes to utilize the Net Proceeds from the Fresh Issue towards funding the following objects:

1. Repayment/prepayment, in full or part, of certain borrowings availed of by our Company.
2. Funding of long-term working capital requirements of the Company and its Subsidiaries during Fiscals 2025 and 2026.
3. Pursuing inorganic growth initiatives through acquisitions.
4. General corporate purposes.

(collectively, the “Objects”)

The main objects and objects incidental and ancillary to the main objects as set out in the Memorandum of Association enables (i) to undertake our existing business activities; (ii) to undertake the activities proposed to be funded from the Net Proceeds and (iii) and to undertake the activities towards which the loans proposed to be repaid from the Net Proceeds were utilised.

In addition, we expect to achieve the benefits of listing of the Equity Shares on the Stock Exchanges, including enhancing our visibility and our brand image among our existing and potential customers and creation of a public market for our Equity Shares in India.

### Net Proceeds

The following table sets forth details of the Net Proceeds:

Particulars	Estimated Amount (in ₹ million)
Gross proceeds of the Fresh Issue	10,000.00
(Less) Offer related expenses to be borne by our Company <sup>(1)</sup>	488.00
Net proceeds from the Fresh Issue after deducting the Offer related expenses to be borne by our Company (“Net Proceeds”)	9,512.00

(1) For details with respect to sharing of fees and expenses amongst our Company and the Selling Shareholders, please refer to the heading “Objects of the Offer - Offer Related Expenses” at page 127.

### Utilisation of Net Proceeds

The following table sets forth details of the proposed utilisation of the Net Proceeds:

Particulars	Estimated Amount (in ₹ million)
Repayment/prepayment, in full or part, of certain borrowings availed of by our Company	1,425.00
Funding of long-term working capital requirements of the Company and its Subsidiaries during Fiscals 2025 and 2026	4,800.00
General corporate purposes*	917.00

Particulars	Estimated Amount (in ₹ million)
Pursuing inorganic growth initiatives through acquisitions*	2,370.00
<b>Net Proceeds</b>	<b>9,512.00</b>

\*The amount to be utilised for general corporate purposes and inorganic growth initiatives does not individually exceed 25% of the Gross Proceeds respectively and does not exceed 35% collectively of the Gross Proceeds from the Fresh Issue, in accordance with Regulation 7(3) of the SEBI ICDR Regulations.

### Proposed Schedule of Implementation and Deployment of Net Proceeds

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below. Further, the deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency.

(in ₹ million)

S. No.	Particulars	Total estimated amount/ expenditure	Amount to be funded from the Net Proceeds	Estimated deployment of Net Proceeds		
				in Financial Year 2024	in Financial Year 2025	in Financial Year 2026
1.	Repayment/prepayment, in full or part, of certain borrowings availed of by our Company	1,425.00	1,425.00	1,425.00	-	-
2.	Funding of long-term working capital requirements of the Company and its Subsidiaries during Fiscals 2025 and 2026	4,800.00	4,800.00	1,500.00	2,500.00	800.00
3.	Pursuing inorganic growth initiatives through acquisitions*	2,370.00	2,370.00	600.00	1,770.00	-
4.	General Corporate purposes*	917.00	917.00	93.00	480.00	344.00
	<b>Total Net Proceeds</b>	<b>9,512.00</b>	<b>9,512.00</b>	<b>3,618.00</b>	<b>4,750.00</b>	<b>1,144.00</b>

\*The amount to be utilised for general corporate purposes and inorganic growth initiatives does not individually exceed 25% of the Gross Proceeds respectively and does not exceed 35% collectively of the Gross Proceeds from the Fresh Issue, in accordance with Regulation 7(3) of the SEBI ICDR Regulations.

If the Net Proceeds are not utilized (in full or in part) for the Objects of the Offer during the period stated above due to factors such as (i) the timing of completion of the Offer; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, the remaining Net Proceeds shall be utilized (in full or in part) in subsequent periods as may be determined by our Company, in accordance with applicable laws. The deployment of funds indicated above is based on management estimates, current circumstances of our business and prevailing market conditions, which are subject to change. We may have to revise our funding requirements and deployment from time to time on account of various factors, such as financial and market conditions, competition, business and strategy and interest/exchange rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. Our historical expenditure may not be reflective of our future expenditure plans. For further details, see “**Risk Factors –Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders’ approval**” on page 64.

In the event that the estimated utilization of the Net Proceeds in a scheduled Fiscal Year is not completely met, due to the reasons stated above, the same shall be utilised in the next Fiscal Year, as may be determined by our Company, in accordance with applicable laws.

Subject to applicable laws, in case of any increase in the actual utilization of funds earmarked towards the Objects set forth above, such additional fund requirements for a particular Object may be financed by our internal accruals and/ or debt, as required. If the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the amount to be utilised for general corporate purposes and inorganic growth initiatives will not individually exceed 25% of the Gross Proceeds respectively and shall not exceed 35% collectively of the Gross Proceeds from the Fresh Issue, in accordance with Regulation 7(3) of the SEBI ICDR Regulations.

### Details of the Objects

**1. Repayment/prepayment, in full or part, of certain borrowings availed of by our Company**

We avail majority of our fund based and non-fund based facilities in the ordinary course of business from various banks and financial institutions. For further information on the financial indebtedness availed of by our Company, see “*Financial Indebtedness*” beginning on page 466. As of November 30, 2023, we had an outstanding balance of our borrowings, including secured and unsecured borrowings (long term and short term) of ₹ 5,074.24 million, on a consolidated basis. Our Company proposes to utilize an aggregate amount of ₹ 1,425.00 million from the Net Proceeds towards repayment/pre-payment, in full or in part, of certain borrowings availed of by our Company. The selection and extent of borrowings proposed to be prepaid and/or repaid by our Company as mentioned below is based on various commercial considerations including, among others, the interest rate of the relevant borrowings, prepayment charges, the amount of the borrowings outstanding and the remaining tenor of the borrowings. The prepayment or scheduled repayment will help us reduce our outstanding indebtedness and debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilization of our internal accruals for further investment in business growth and expansion. In addition, the improvement in the debt to equity ratio of our Company is intended to enable us to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

The following tables provide details of outstanding borrowings availed of by our Company as on November 30, 2023, on a standalone basis, which we propose to prepay or repay, in full or in part, from the Net Proceeds up to an aggregate amount of ₹ 1,425.00 million:

*in ₹ million*

Name of the lender	Name of the borrower	Purpose of borrowing	Nature of borrowing	Sanctioned amount as on November 30, 2023	Outstanding amount as on November 30, 2023	Interest rate	Repayment schedule	Prepayment penalty / premium
<b>Company</b>								
Patni Financial Advisors Private limited	Entero Healthcare Solutions Limited	(i) For growth/acquisition activities of the Borrower and/or its Affiliates/new entities; (ii) For refinancing of debt/liabilities of the Borrower and/or its Affiliates/new entities; (iii) To meet working capital requirements of the Borrower and/or its Affiliates/new entities; (iv) For general corporate purposes of the Borrower and/or its Affiliates/new entities; (v) For creation of DSRA;	Term Loan	350.00	350.00	13.50 %	After 1 year, 5 equal half-annual installments	NIL

Name of the lender	Name of the borrower	Purpose of borrowing	Nature of borrowing	Sanctioned amount as on November 30, 2023	Outstanding amount as on November 30, 2023	Interest rate	Repayment schedule	Prepayment penalty / premium
		(vi) For payment of Processing Fee; (vii) For meeting costs and expenses relating to the transaction contemplated under the Finance Documents; and/or (viii) For any other purpose as may be approved by the Lender from time to time.						
True North Credit Opportunities Fund I	Entero Healthcare Solutions Limited	Refinance of outstanding debt from Hero Fincorp Limited, general corporate purposes and payment of transaction expenses	Secured, unlisted, redeemable and non-convertible debentures ("NCD")	450.00	450.00	14.09 % IRR	2 equal installments at the end of 30th and 36th Month from the date of Deemed Allotment.	NIL
True North Credit Opportunities Fund I & Incred Alternative Opportunities Trust-Incred Credit Opportunities Fund - I	Entero Healthcare Solutions Limited	Towards growth, working capital, refinancing of existing debt, transaction expenses and general corporate purposes	Secured, unlisted, redeemable and non-convertible debentures ("NCD")	450.00	450.00	16.00 % IRR	2 equal installments at the end of 30th and 36th Month from the date of Deemed Allotment.	NIL
Vivriti Capital Private Limited	Entero Healthcare Solutions Limited	General Corporate Purposes	Term Loan	287.50	287.50	13.50 % - 14.00 %	2 equal quarterly installments commencing from the expiry of Moratorium period	5% of outstanding principal amount if prepayment is made in the first 6 months of drawdown
<b>Total</b>				<b>1,537.50</b>	<b>1,537.50</b>			

In compliance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, the Statutory Auditors pursuant to their certificate dated February 13, 2024, have certified the utilization of the above-mentioned borrowings for the purposes such borrowings were availed for, as at November 30, 2023. For further

information on the terms and conditions of these financing arrangements, see “*Financial Indebtedness*” beginning on page 466.

Given the nature of the borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under the borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to Allotment. In light of the above, post filing of this Prospectus, any of the abovementioned loans or facilities may be repaid, in part or full, or refinanced.

Further, we may be subject to the levy of pre-payment penalties or premiums, depending on the facility being repaid/prepaid, the conditions specified in the relevant documents governing such credit facility and the amount outstanding/being pre-paid/repaid, as applicable. Payment of pre-payment penalty or premium, if any, shall be made by our Company from the Net Proceeds. If the Net Proceeds are insufficient to the extent required for making payments for such pre-payment penalties or premiums, such excessive amount shall be met from our internal accruals.

## 2. *Funding of the long-term working capital requirements of the Company and its Subsidiaries during Fiscals 2025 and 2026*

We fund a majority of our working capital requirements in the ordinary course of business from our internal accruals/equity and financing facilities from various banks, financial institutions and non-banking financial companies. The requirement is proportionate and variable in nature with the growth of the company. As on November 30, 2023, our Company has a total sanctioned limit of working capital facilities of ₹ 4,077.00 million, including fund-based and non-fund based sub-limits. For details, see ‘*Financial Indebtedness*’ on page 466. We propose to utilise ₹ 4,800.00 million from the Net Proceeds to fund the long term working capital requirements of our Company and our Subsidiaries during Fiscal Years 2025 and 2026 towards (i) organic growth of our Company and our Subsidiaries including purchase of products and incurring costs towards trading and distribution, (ii) working capital requirements of our Subsidiaries including discharging current liabilities, (iii) payment of GST and other levies by Government, and (iv) balances, advances and security deposits maintained with customers, vendors, and/or government authorities.

Our business is working capital intensive. Some of the factors which contribute to working capital requirements include, (i) our healthcare product distribution caters to procurement needs of pharmacies, hospitals and clinics, (ii) we provide a diverse spectrum of healthcare products, including pharmaceutical products, nutraceuticals, medical devices, surgical consumables, over-the-counter medicines and vaccines, (iii) we have a nationwide presence across 37 cities in 19 states and union territories, and (iv) longer durations taken by hospitals to settle payments owing to longer cycle of insurance claims which results in a longer credit period. The investment in the future working capital requirements of our Company and our Subsidiaries will help us in meeting the expected growth in demand for the healthcare products distribution and services. Such working capital enhancement will help our Company and our Subsidiaries to capitalise on the growth opportunities and expand into the new markets.

### Existing working capital

*in ₹ million*

Sr no	Particulars	As at September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
<b>(A)</b>	<b>Current assets</b>				
(a)	Inventory	3,874.64	3,416.28	3,101.64	2,439.26
(b)	Receivables	6,304.88	5,148.84	3,745.99	2,421.52
(c)	Other current assets	677.78	598.14	607.22	640.22
	<b>Total Current Assets (A)</b>	<b>10,857.30</b>	<b>9,163.26</b>	<b>7,454.85</b>	<b>5,501.00</b>
<b>(B)</b>	<b>Current liabilities</b>				
(a)	Payables	2,248.64	2,105.00	1,397.79	967.40
(b)	Other current liabilities	782.15	710.08	740.99	506.84
	<b>Total Current liabilities (B)</b>	<b>3,030.79</b>	<b>2,815.08</b>	<b>2,138.78</b>	<b>1,474.24</b>
<b>(C)</b>	<b>Total working capital requirement (A - B)</b>	<b>7,826.51</b>	<b>6,348.18</b>	<b>5,316.07</b>	<b>4,026.76</b>
<b>(D)</b>	<b>Existing funding pattern</b>				



(a)	Working capital loans	3,292.15	2,338.91	1,810.65	1,408.53
(b)	Internal accruals, long term funds, equity	4,534.36	4,009.27	3,505.42	2,618.23

N B T & Co, Chartered Accountants, pursuant to their certificate dated February 5, 2024, have certified the abovementioned working capital requirements.

On the basis of our existing working capital requirements and the projected working capital requirements, our Board, pursuant to their resolution dated January 21, 2024, has approved the projected working capital requirements for Fiscal Years 2025 and 2026 and the proposed funding of such working capital requirements as stated below:

*in ₹ million*

Sr no	Particulars	Fiscal 2025	Fiscal 2026
<b>(A)</b>	<b>Current assets</b>		
(a)	Inventory	6,082.37	9,215.00
(b)	Receivables	9,718.49	14,367.00
(c)	Other current assets	1,246.06	1,903.00
	<b>Total Current Assets (A)</b>	<b>17,046.92</b>	<b>25,485.00</b>
<b>(B)</b>	<b>Current liabilities</b>		
(a)	Payables	4,303.19	6,334.00
(b)	Other current liabilities	1,404.78	2,083.00
	<b>Total Current liabilities (B)</b>	<b>5,707.97</b>	<b>8,417.00</b>
<b>(C)</b>	<b>Net working capital</b>	<b>11,338.95</b>	<b>17,068.00</b>
<b>(D)</b>	<b>Sources of Finance</b>		
(a)	IPO proceeds	2,500.00	4,800.00
(b)	Working capital loans, internal accruals, equity	8,838.95	12,268.00

N B T & Co, Chartered Accountants, pursuant to their certificate dated February 5, 2024, have certified the abovementioned working capital requirements.

#### Assumptions for working capital requirements:

The following table sets forth the details of the holding period (with days rounded to the nearest) considered:

Particulars	Fiscal 2021 (Actual)	Fiscal 2022 (Actual)	Fiscal 2023 (Actual)	As at September 30, 2023 (Actual)	Fiscal 2025 (Estimated)	Fiscal 2026 (Estimated)
<b>Current Assets</b>						
(a) Inventory	45	40	34	33	29	29
(b) Receivables	44	49	51	54	46	45
(c) Other Current Assets	12	8	6	6	6	6
<b>Total Current Assets (A)</b>	<b>101</b>	<b>97</b>	<b>91</b>	<b>93</b>	<b>81</b>	<b>80</b>
<b>Current Liabilities</b>						
(a) Payables	18	18	21	20	20	20
(b) Other Current Liabilities	9	10	7	6	7	7
<b>Total Current Liabilities (B)</b>	<b>27</b>	<b>28</b>	<b>28</b>	<b>26</b>	<b>27</b>	<b>27</b>
<b>Net Working Capital Days [A-B]</b>	<b>74</b>	<b>69</b>	<b>63</b>	<b>67</b>	<b>54</b>	<b>53</b>

N B T & Co, Chartered Accountants, pursuant to their certificate dated February 5, 2024, have certified the abovementioned working capital requirements.

For calculating number of days in the above table, we have taken revenue from operations grossed up for applicable taxes as follows:

*(in ₹ million)*

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	For the six months period ended

				September 30, 2023
Revenue excluding taxes (A)	17,797.37	25,220.65	33,002.07	18,955.01
Average GST percentage (B)	12.01%	11.85%	11.99%	11.82%
Revenue grossed up for GST (C) = (A)*(1+(B))	19,934.66	28,209.30	36,957.70	21,195.49

For Financial Years 2025 and 2026, Average GST percentage has been considered at 12.00%.

As per the standalone audited financial statements of our Company, the holding levels of inventory were 146 days in Fiscal 2021, 87 days in Fiscal 2022 and 53 days in Fiscal 2023. The higher inventory levels in Fiscal 2021 and Fiscal 2022 were primarily due to COVID related inventory. We expect the holding level to reduce by another 10 days over the next two years.

The working capital requirement of the Company and its Subsidiaries is summarised in table below:

Particulars	(in ₹ million)					
	Fiscal 2021 (Actual)	Fiscal 2022 (Actual)	Fiscal 2023 (Actual)	As at September 30, 2023 (Actual)	Fiscal 2025 (Estimated)	Fiscal 2026 (Estimated)
Working Capital - Company	786.85	707.88	651.26	1,084.39	1,212.02	1,547.35
Working Capital - Subsidiaries	3,239.91	4,608.19	5,696.92	6,742.12	10,126.93	15,520.65
<b>Working Capital Consolidated</b>	<b>4,026.76</b>	<b>5,316.07</b>	<b>6,348.18</b>	<b>7,826.51</b>	<b>11,338.95</b>	<b>17,068.00</b>

The working capital projections made by our Company (for itself and our Subsidiaries) are based on certain key assumptions, as set out below:

S. No	Particulars	Assumptions and Justifications
<b>Current Assets</b>		
1.	Trade Receivables	The holding levels of trade receivables were 44 days in Fiscal 2021, 49 days in Fiscal 2022, 51 days in Fiscal 2023 and 54 days as at September 30, 2023. We expect the holding level for Fiscal 2025 and Fiscal 2026 to reduce to 46 days and 45 days respectively.
2.	Inventories	The holding levels of inventory were 45 days in Fiscal 2021, 40 days in Fiscal 2022. The higher inventory levels in Fiscal 2021 and Fiscal 2022 were due to Covid 2019. As can be seen, the holding levels have reduced to 34 in Fiscal 2023 and further to 33 days as at September 30, 2023 due to business returning to normalcy. We expect the holding level to reduce to 29 days in Fiscal 2025 and 2026.
3.	Other current assets	In the past, the holding levels were 12 days in Fiscal 2021, 8 days in Fiscal 2022, which further improved to 6 days in Fiscal 2023 and as at September 30, 2023. We expect the holding level for Fiscal 2025 and 2026 to be 6 days, in line with Fiscal 2023 and September 30, 2023 levels.
<b>Current Liabilities</b>		
4.	Trade payables	The holding level of trade payables has been 18 days for Fiscal 2021 and 2022, 21 days in Fiscal 2023 and 20 days as at September 30, 2023. We expect the holding level for Fiscal 2025 and Fiscal 2026 to be 20 days in line with September 30, 2023 levels.
5.	Current liabilities	In the past, the holding levels were 9 days in Fiscal 2021, 10 days in Fiscal 2022, 7 days in Fiscal 2023, which further improved to 6 days as at September 30, 2023. We expect the holding level for Fiscal 2025 and Fiscal 2026 to be 7 days, in line with Fiscal 2023 levels.

N B T & Co, Chartered Accountants, pursuant to their certificate dated February 5, 2024, have certified the abovementioned working capital requirements.

We propose to utilise, out of the total proceeds of ₹ 4,800.00 million to be raised for the working capital requirement, a maximum of ₹ 480.00 million towards funding the working capital requirements of our Company and the balance of ₹ 4,320.00 million towards funding the working capital requirements of our Subsidiaries during

Fiscal Years 2025 and 2026. Our Company will deploy the Net Proceeds in our Subsidiaries, for the purpose of funding the working capital requirements of such Subsidiaries, in the form of equity or inter-corporate deposits.

### 3. Pursuing inorganic growth initiatives through acquisitions

Our Company has in the past undertaken several acquisitions and we shall continue to evaluate acquisition opportunities in the future that we believe supplement our strategic business objectives and growth strategies. In line with our past practice, we intend to pursue opportunities to undertake acquisitions (i) that allow us to enhance our scale and market position; (ii) that allow us to enhance our product portfolio including product category adjacencies by unlocking potential synergy benefits; (iii) that provide us with a platform to extend our reach to new geographic markets within India; and (iv) that add new services complementary to our service offerings or that allow us to enter strategic businesses to capture additional revenue opportunities from our existing customer base to improve our margin profile.

Our Company has undertaken 34 acquisitions in the past. Set forth hereunder are brief details of certain of the acquisitions that we have undertaken in the past:

Sr. No.	Name of the entity	Year of Acquisition	Shareholding by our Company as on date	Benefit of acquisition	Total Asset as on September 30, 2023 (INR in millions)
1	Novacare Healthcare Solutions Private Limited	Financial Year ended March 31, 2019	100.00%	To enter in the pharmaceutical distribution market with a focus on hospital supplies and developing pan-India presence.	1,549.10
2	Chhabra Healthcare Solutions Private Limited	Financial Year ended March 31, 2019	100.00%	To align with Company's strategic intent to enter in Delhi market.	184.60
3	Galaxystar Pharma Distributors Private Limited	Financial Year ended March 31, 2019	100.00%	To strengthen our Company's position in Mumbai market.	368.67
4	Getwell Medicare Solution Private Limited	Financial Year ended March 31, 2019	85.00%	To align with Company's strategic intent to enter in Kerala market.	659.76
5	G.S. Pharmaceutical Distributors Private Limited	Financial Year ended March 31, 2019	100.00%	To align with Company's strategic intent to enter in Maharashtra market.	325.02
6	R S M Pharma Private Limited	Financial Year ended March 31, 2019	100.00%	To align with Company's strategic intent to enter in Bangalore market.	648.72
7	Sundarlal Pharma Distributors Private Limited	Financial Year ended March 31, 2019	100.00%	To strengthen our Company's position in Mumbai market.	47.63
8	Avenues Pharma Distributors Private Limited	Financial Year ended March 31, 2020	100.00%	To strengthen our Company's geographical reach in the Karnataka market	844.62
9	Chirag Medicare Solutions Private Limited	Financial Year ended March 31, 2020	100.00%	To strengthen our Company's geographical reach in Karnataka Market.	489.27

10	Barros Enterprises Private Limited	Financial Year ended March 31, 2020	100.00%	To align with Company's strategic intent to enter in Goa market.	200.02
11	Chethana Healthcare Solutions Private Limited	Financial Year ended March 31, 2020	100.00%	To strengthen our Company's geographical reach in Karnataka Market.	129.63
12	Chethana Pharma Private Limited	Financial Year ended March 31, 2020	100.00%	To strengthen our Company's geographical reach in Karnataka Market.	495.64
13	Jaggi Enterprises Private Limited	Financial Year ended March 31, 2020	100.00%	To align with Company's strategic intent to enter in New Delhi market.	367.65
14	Millennium Medisolutions Private Limited	Financial Year ended March 31, 2020	100.00%	To strengthen our Company's position in Delhi NCR region.	614.90
15	Rada Medisolutions Private Limited	Financial Year ended March 31, 2020	100.00%	To strengthen our Company's position in Chennai market.	189.20
16	Sesha Balajee Medisolutions Private Limited	Financial Year ended March 31, 2020	100.00%	To strengthen our Company's position in Andhra Pradesh market.	322.24
17	SVMED Solutions Private Limited	Financial Year ended March 31, 2020	100.00%	To align with Company's strategic intent to enter in Andhra Pradesh market.	380.39
18	Vasavi Medicare Solutions Private Limited	Financial Year ended March 31, 2020	100.00%	To strengthen our Company's position in Tamil Nadu market.	315.34
19	Calcutta Medisolutions Private Limited	Financial Year ended March 31, 2021	100.00%	To strengthen our Company's position in Kolkata market.	59.90
20	CPD Pharma Private Limited	Financial Year ended March 31, 2021	100.00%	To strengthen our Company's position in Chennai market.	33.38
21	Sree Venkateshwara Medisolutions Private Limited	Financial Year ended March 31, 2021	100.00%	To strengthen our Company's position in Hyderabad market.	92.54
22	Sri Parshva Pharma Distributors Private Limited	Financial Year ended March 31, 2022	100.00%	To strengthen our Company's customer profile in the Bangalore market	757.58
23	Sri Rama Pharmaceutical Distributors Private Limited	Financial Year ended March 31, 2022	100.00%	To strengthen our Company's product profile.	1,351.04
24	Atreja Healthcare Solutions Private Limited	Financial Year ended March 31, 2022	100.00%	To align with Company's strategic intent to enter Haryana market.	57.22
25	City Pharma Distributors Private Limited	Financial Year ended March 31, 2022	100.00%	To strengthen our Company's position in Karnataka market.	47.54

26	New RRPD Private Limited	Financial Year ended March 31, 2022	100.00%	To strengthen our Company's position in Chennai market.	88.04
27	New Siva Agencies Private Limited	Financial Year ended March 31, 2022	100.00%	To strengthen our Company's position in Chennai market.	98.59
28	Swami Medisolutions Private Limited	Financial Year ended March 31, 2022	100.00%	To align with Company's strategic intent to enter in Amritsar, Punjab market.	103.19
29	Western Healthcare Solutions Private Limited	Financial Year ended March 31, 2022	100.00%	To strengthen our Company's position in Kerala market.	392.25
30	Saurashtra Medisolutions Private Limited	Financial Year ended March 31, 2023	100.00%	To align with Company's strategic intent to enter in Gujarat market.	174.13
31	S.S. Pharma Traders Private Limited	Financial Year ended March 31, 2023	100.00%	To strengthen our Company's position in Uttar Pradesh market.	506.11
32	SVS Lifesciences Private Limited	Financial Year ended March 31, 2023	100.00%	To align with Company's strategic intent to enter in Chhatisgarh market.	160.34
33	Entero R.S Enterprises Private Limited	Financial Year ended March 31, 2024	100.00%	To consolidate its position in Bangalore market.	371.77
34	Dhanvanthri Super Speciality* Private Limited	Financial Year ended March 31, 2024	80.00%	To enter in the speciality pharmaceutical distribution market with a focus on hospital supplies and developing pan-India presence.	279.66*

\*Based on Proforma Financial Information.

\*\*Figures represent total assets of the acquired business of the seller entity.

For details of acquisitions undertaken in the past by us, see “*History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the 10 years preceding the date of this Prospectus*” on page 213 respectively.

### ***Rationale for acquisitions in future***

Our acquisition strategy is primarily driven by our Board and the typical framework and process followed by us for acquisitions involves identifying the strategic acquisitions based on the rationale set out above, entering into requisite non-disclosure agreements and conducting diligence of the target. Once we have satisfactorily concluded the diligence exercise, we enter into definitive agreements to acquire the target based on the approval of our Board and the shareholders, if required.

Our organic growth strategy and associated investments are and will continue to be subject to multiple internal and external factors, including applicable business requirements, investments in newer technology infrastructure and platforms and towards adapting to changes in customer preferences and technological advancements. Some of the selection criteria that we may consider when evaluating strategic acquisitions include:

- expertise in the domain we operate in or wish to expand into;
- strategic fit with our existing business such that the businesses are synergistic with some of our existing businesses/customers or where we can look to leverage some of our existing experience, expertise or relationships, amongst other competencies;
- new customers / users that we can serve with our existing capabilities;
- product portfolio or product category adjacencies that can increase our wallet share from existing as well

- new customers;
- newer service offerings as well as improvement of our service and customer mix such that our overall margin profile improves;
- enhance our geographical reach;
- strengthen market share in existing markets; and
- identification of a strong management team run by experienced promoters who then continue to work with us to not only build their original businesses but add value to the overall organization.

The amount of Net Proceeds to be used for acquisitions will be based on our management’s decision and may not be the total value or cost of any such acquisitions but is expected to provide us with sufficient financial leverage to pursue such acquisitions, including payment towards goodwill and net assets and consideration for equity share purchase. For further details, see the section titled “*Risk Factors – Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised by any bank or financial institution or any other independent agency, and may be subject to change based on various factors, some of which are beyond our control*” on page 48.

We intend to utilize the above-stated portion of the Net Proceeds towards our strategic acquisitions and/or investments which may be undertaken over the course of three financial years. As on the date of this Prospectus, we have not entered into any definitive agreements towards any future acquisitions or strategic initiatives. These factors will also determine the form of investment for these potential acquisitions, i.e., whether they will be directly done by our Company or through investments in our subsidiaries in the form of equity, debt or any other instrument or combination thereof, or whether these will be in the nature of business, asset or technology acquisitions or joint ventures.

The proposed inorganic acquisitions shall be undertaken in accordance with the applicable laws, including the Companies Act, FEMA and the regulations notified thereunder, as the case may be. Further, in accordance with the SEBI Listing Regulations, our Company will disclose to the Stock Exchanges, details of acquisition and/or investments such as cost and nature of such acquisition and/or investments, as and when acquired. We undertake that the acquisition and/or investments proposed to be undertaken from the Net Proceeds shall not be acquired from the Promoter, Promoter Group entities, Group Companies, affiliates or any other related parties.

#### **4. General corporate purposes:**

The Net Proceeds will first be utilized towards the Objects as set out above. Subject to this, our Company intends to deploy any balance Net Proceeds towards general corporate purposes as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the gross proceeds of the Fresh Issue, in compliance with the SEBI ICDR Regulations. Further, the cumulative amount to be utilized towards general corporate purposes and our object of pursuing inorganic initiatives shall not exceed 35% of the Gross Proceeds. The general corporate purposes may include, but are not restricted to meeting fund requirements which our Company may face in the ordinary course of business, strengthening marketing capabilities and brand building exercises, meeting ongoing general corporate contingencies, business requirements of our Company in the ordinary course of business towards salaries and wages, rent, administration expenses, upgrading our technology and maintenance, payment to creditors, advisory services, and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act, 2013. The allocation or quantum of utilization of funds towards the specific purposes described above will be determined by our Board, based on our business requirements and other relevant considerations, from time to time. Our management, in accordance with the policies of the Board, shall have the flexibility in utilizing surplus amounts, if any. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the next Fiscal.

In case of variations in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds or through our internal accruals, if any which are not applied to the other purposes set out above.

#### **Bridge Financing**

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

## Means of Finance

The funding requirements for the Objects detailed above are proposed to be funded from the Net Proceeds. Accordingly, we confirm that there is no requirement to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable accruals, as prescribed under the SEBI ICDR Regulations. In case of a shortfall in the Net Proceeds or any increase in the actual utilization of funds earmarked for Objects, our Company may explore a range of options including utilizing our internal accruals.

## Offer Related Expenses

The total expenses of the Offer are estimated to be approximately ₹ 779.31 million.

The Offer related expenses primarily include fees payable to the BRLMs and legal counsels, fees payable to the Auditors, underwriting commission, selling commission and brokerage fees payable to Registered Brokers, RTAs, CDPs, SCSBs' fees, Sponsor Bank's fees, Registrar's fees, 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 Offer related fees and expenses shall be shared between the Company and the Selling Shareholders, as may be prescribed under the Offer Agreement, including in the event of withdrawal of the Offer or if the Offer is not successful or consummated prior to one year of receipt of the final observations from SEBI. The estimated Offer related expenses are as follows:

(₹ in million)				
S. No	Activity	Estimated amount <sup>(1)*</sup> (₹ in million)	As a % of total estimated Offer Expenses	As a % of Offer Size
1.	BRLMs fees and commissions (including underwriting commission)	405.92	52.09%	2.54%
2.	Brokerage, selling commission, bidding charges, processing fees and bidding charges for the Members of the Syndicate, Registered Brokers, SCSBs, RTAs and CDPs <sup>(1)(2)(3)(4)(5)</sup>	22.36	2.87%	0.14%
3.	Advertising and marketing expenses for the Offer	75.95	9.75%	0.47%
4.	Other expenses:-			
	Listing fees, SEBI filing fees, BSE & NSE processing fees, book building software fees,	43.83	5.62%	0.27%
	Other regulatory expenses	5.35	0.69%	0.03%
	Printing and stationery expenses	21.44	2.75%	0.13%
	Fees payable to the Registrar to the Offer	-	0.00%	0.00%
	Fees payable to the legal counsel	101.40	13.01%	0.63%
	Miscellaneous**, if any	103.05	13.22%	0.64%
	<b>Total Estimated Offer Expenses</b>	<b>779.31</b>	<b>100.00%</b>	<b>4.87%</b>

\*Including applicable taxes, where applicable

\*\* Includes fees and costs payable to other intermediaries to the Offer, including but not limited to:

(a) Statutory Auditors of our Company

(b) independent chartered accountant

(c) independent secretarial auditor

(d) industry expert

<sup>(1)</sup> Selling commission payable to the SCSBs on the portion for RIBs, Eligible Employees and Non-Institutional Bidders which are directly procured and uploaded by the SCSBs, would be as follows:

Portion for RIBs*	0.35% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders*	0.20% of the Amount Allotted (plus applicable taxes)
Employee Reservation Portion*	0.25% of the Amount Allotted (plus applicable taxes)

\*Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price. Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid book of BSE or NSE.

<sup>(2)</sup> No processing fees shall be payable by our Company and the Selling Shareholders to the SCSBs on the applications directly procured by them.

Processing fees payable to the SCSBs on the portion for RIIs, Eligible Employees and NIIs (excluding UPI Bids) which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/CRTAs/ CDPs and submitted to SCSB for blocking, would be as follows.

Portion for RIIs, NIIs, Employee Reservation*	Rs.10 per valid application (plus applicable taxes)
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\*Processing fees payable to the SCSBs for capturing Syndicate Member/Sub-syndicate (Broker)/Sub-broker code on the ASBA Form for Non-Institutional Investors and Qualified Institutional Bidders with bids above Rs. 0.5 million would be Rs. 10 plus applicable taxes, per valid application.

Notwithstanding anything contained above the total processing fee payable under this clause will not exceed ₹4.00 million (plus applicable taxes) and in case the total processing fees exceeds ₹4.00 million (plus applicable taxes), then processing fees will be paid

on pro-rata basis for portion of (i) Retail Individual Bidders (ii) Non-Institutional Bidders, (iii) Employees as applicable.  
<sup>(3)</sup> Brokerage, selling commission and processing/uploading charges on the portion for UPI Bidders (using the UPI mechanism) RIBs, Eligible Employees and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their sub-Syndicate Members) would be as follows:

Portion for RIBs*	0.35% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders*	0.20% of the Amount Allotted (plus applicable taxes)
Employee Reservation Portion*	0.25% of the Amount Allotted (plus applicable taxes)

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

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.

Uploading Charges payable to members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the applications made by UPI Bidders using 3-in-1 accounts/Syndicate ASBA mechanism and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts/Syndicate ASBA mechanism, would be as follows: ₹ 10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.

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.

<sup>(4)</sup> Selling commission/ uploading charges payable to the Registered Brokers on the portion for RIBs, Eligible Employees and Non Institutional Bidders which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

Portion for RIBs*	₹ 10 per valid application (plus applicable taxes)
Portion for Non-Institutional Bidders*	₹ 10 per valid application (plus applicable taxes)
Employee Reservation Portion*	₹ 10 per valid application (plus applicable taxes)

\* Based on valid applications

<sup>(5)</sup> Uploading charges/ Processing fees for applications made by UPI Bidders using the UPI Mechanism would be as under:

Members of the Syndicate / RTAs / CDPs / Registered Brokers	₹ 30 per valid application (plus applicable taxes)
Axis Bank Limited	₹ Nil per valid Bid cum Application Form (plus applicable taxes)* *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 the SEBI circulars, the Syndicate Agreement and other applicable laws
HDFC Bank Limited	₹ Nil per valid Bid cum Application Form (plus applicable taxes)* *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 the SEBI circulars, the Syndicate Agreement and other applicable laws

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.

The total uploading charges / processing fees payable to members of the Syndicate, RTAs, CDPs, Registered Brokers will be subject to a maximum cap of ₹10.00 million (plus applicable taxes). In case the total uploading charges/processing fees payable exceeds ₹10.00 million, then the amount payable to members of the Syndicate, RTAs, CDPs, Registered Brokers would be proportionately distributed based on the number of valid applications such that the total uploading charges / processing fees payable does not exceed ₹10.00 million.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate / sub-Syndicate Member shall not be able to Bid the Application Form above ₹ 0.50 million and the same Bid cum Application Form need to be submitted to SCSB for blocking of the fund and uploading on the Stock Exchange bidding platform. To identify bids submitted by Syndicate / sub-Syndicate Member to SCSB a special Bid-cum application form with a heading / watermark "Syndicate ASBA" may be used by Syndicate / sub-Syndicate Member along with SM code and broker code mentioned on the Bid-cum Application Form to be eligible for brokerage on allotment. However, such special forms, if used for Retail Individual Investor and Non Institutional Investor Bids up to ₹ 0.50 million will not be eligible for brokerage.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022

## Monitoring of Utilisation of Funds

In accordance with Regulation 41 of the SEBI ICDR Regulations, our Company has appointed a Monitoring Agency for monitoring the utilisation of Net Proceeds, as the Fresh Issue size exceeds ₹ 1,000 million. Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Net Proceeds and submit the report required under Regulation 41(2) of the SEBI ICDR Regulations.

Pursuant to the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Prospectus and place it before the Audit



Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, 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. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

### **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.

### **Interim use of Net Proceeds**

Pending utilization of the Net Proceeds for the purposes described above, our Company undertakes to deposit the Net Proceeds only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board or any duly constituted committee thereof.

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

### **Other Confirmations**

Except to the extent of any proceeds received pursuant to the Offer for Sale, no part of the proceeds of the Offer will be paid by our Company as consideration to our Promoters, members of the Promoter Group, our Directors or our Key Managerial Personnel.

Our Company has not entered into and except in the ordinary course of business and in compliance with applicable law, is not planning to enter into any arrangement/ agreements with our Promoter, members of the Promoter Group, Directors, Key Managerial Personnel or Senior Management in relation to the utilisation of the Net Proceeds. Further, there are no material existing or anticipated interest of such individuals and entities in the objects of the Offer except as set out above.

### **Variation in Objects**

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and the applicable rules, and the SEBI ICDR Regulations, our Company shall not vary the objects of the Fresh Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (“**Notice**”) shall specify the prescribed details as required under the Companies Act. The Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and

conditions, including in respect of pricing of the Equity Shares, in accordance with our Articles of Association, the Companies Act, 2013 and the SEBI ICDR Regulations.

## BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company, in consultation with the BRLMs on the basis of assessment of market demand for the Equity Shares offered in the Offer through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Offer Price is 119.50 times the face value at the lower end of the Price Band and 125.80 times the face value at the higher end of the Price Band.

Investors should also refer to the sections “*Our Business*”, “*Risk Factors*”, “*Financial Information – Restated Consolidated Financial Information*” and “*Management Discussion and Analysis*” on pages 180, 39, 279, and 429 respectively, to have an informed view before making an investment decision.

### Qualitative Factors

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

- We operate in the large and highly fragmented Indian healthcare products distribution market and expect to benefit from market consolidation.
- We are one of India’s largest and fastest growing healthcare products distribution platforms.
- We have a track record of inorganic expansion and integration to grow our geographic reach, revenues and scale.
- We have a differentiated business model offering comprehensive and integrated commercial and supply chain solutions.
- We have a proprietary technology platform with integrated business intelligence tools and solutions.
- Our Company has a experienced, committed and qualified founding and professional management team with deep industry expertise and backed by healthcare focused investor.

### Quantitative factors

Some of the information presented in this section relating to our Company is derived from the Restated Consolidated Financial Information. For details, see “*Financial Information – Restated Consolidated Financial Information*” beginning on page 279. Some of the quantitative factors, which may form the basis for computing the Offer Price, are as follows:

#### 1. *Earnings Per Share (“EPS”) (as adjusted for changes in capital, if any) on a consolidated basis, calculated in accordance with the Indian Accounting Standard 33 issued by the ICAI*

Period	As per Restated Consolidated Financial Information		Post CCPS Conversion		Weightage
	Basic EPS (in ₹)	Diluted EPS (in ₹)	Basic EPS (in ₹)	Diluted EPS (in ₹)	
Six months ended September 30, 2023*	2.95	2.95	3.27	3.27	-
Six months ended September 30, 2022*	(3.04)	(3.04)	(3.37)	(3.37)	-
Financial Year ended March 31, 2023	(3.10)	(3.10)	(3.43)	(3.43)	3
Financial Year ended March 31, 2022	(9.22)	(9.22)	(10.23)	(10.23)	2
Financial Year ended March 31, 2021	(5.29)	(5.29)	(5.87)	(5.87)	1
<b>Weighted Average</b>	<b>(5.50)</b>	<b>(5.50)</b>	<b>(6.10)</b>	<b>(6.10)</b>	-

\*Not annualised

#### Notes

1. *Basic EPS = Net Profit / (Loss) after tax, as restated, for the year divided by weighted average number of equity shares outstanding during the year/period.*
2. *Diluted EPS = Net Profit / (Loss) after tax, as restated, for the year divided by weighted average number of diluted equity shares and potential additional equity shares outstanding during the year/period.*
3. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year divided by Total of weights*
4. *Basic and diluted earnings per equity share: Basic and diluted earnings per equity share are computed in accordance with the notified Indian Accounting Standard 33 ‘Earnings per share’.*

5. The figures disclosed above are based on the Restated Consolidated Financial Information of the Company.
6. The face value of each Equity Share is ₹ 10 each

## 2. Price Earning (“P/E”) Ratio in relation to the Price Band of ₹ 1,195 to ₹ 1,258 per Equity Share

Particulars	P/E ratio at the lower end of the Price Band (number of times)	P/E ratio at the higher end of the Price Band (number of times)
Based on Basic EPS for the financial year ended March 31, 2023	Not applicable	Not applicable
Based on Diluted EPS for the financial year ended March 31, 2023	Not applicable	Not applicable

## 3. Industry Peer Group P/E ratio

Based on the peer group information (excluding our Company) given below in this section, The highest, lowest and average P/E ratio is 177.21 since we have only one listed industry peer.

Particulars	Industry Peer P/E	Name of the company	Face value of the equity shares (₹)
Highest	177.21	Medplus Health Services Limited	2.00
Lowest	177.21	Medplus Health Services Limited	2.00
<b>Average</b>	<b>177.21</b>	-	-

Notes:

(1) The industry high and low has been considered from the industry peer set provided later in this chapter. The highest, lowest and average P/E has been considered as same number since we have only one industry peer. For further details, see “Basis for Offer Price – 6. Comparison of Accounting Ratios with Listed Industry Peers” beginning on page 133.

(2) The industry P/E ratio mentioned above is computed based on the closing market price of equity shares on NSE on January 15, 2024 divided by the Diluted EPS as on for the financial year ended March 31, 2023.

## 4. Average Return on Net Worth (“RoNW”) on a consolidated basis

Financial Year	RoNW as derived from the Restated Consolidated Financial Information (%)	Weightage
Six months ended September 30, 2023*	1.76%	
Six months ended September 30, 2022*	(1.83%)	
Financial Year ended March 31, 2023	(1.86%)	3
Financial Year ended March 31, 2022	(5.23%)	2
Financial Year ended March 31, 2021	(3.15%)	1
<b>Weighted Average</b>	<b>(3.20%)</b>	

\*Not annualised

Notes:

1. Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.
2. Return on Net Worth (%) = Net Profit / (Loss) after tax, as restated / Restated Net worth (Total Equity) at the end of the year/period.
3. Net worth = Aggregate value of equity share capital, instruments entirely equity in nature, and other equity created out of the profits, securities premium account, and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, derived from the Restated Consolidated Financial Information and non-controlling interest, but does not include reserves created out of revaluation of assets and write-back of depreciation.

## 5. Net Asset Value (“NAV”) per Equity Share

Year Ended	NAV derived from the Restated Consolidated Financial Information (₹) <sup>(1)(2)</sup>	NAV post CCPS conversion (₹) <sup>(1)(2)</sup>
As on September 30, 2023*	166.90	185.84
As on September 30, 2022*	156.90	174.00
As on March 31, 2023	157.08	174.21
As on March 31, 2022	155.42	171.95
As on March 31, 2021	165.17	183.16
After the completion of the Offer	At the Floor Price: 346.34 At the Cap Price: 349.39	At the Floor Price: 378.16 At the Cap Price: 381.80
Offer Price	349.39	381.80

\*Not annualised

- (1) Net asset value per share (in ₹) represents net asset value per equity share. It is calculated as net worth as of the end of the relevant year/period divided by the number of equity share outstanding at the end of the respective year/period.
- (2) Net worth = Aggregate value of equity share capital, instruments entirely equity in nature, and other equity created out of the profits, securities premium account, and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, derived from the Restated Consolidated Financial Information, and non-controlling interest but does not include reserves created out of revaluation of assets and write-back of depreciation. Net Asset Value is a non-GAAP measure (see “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Measures- EBITDA and Adjusted EBITDA” on page 460 for the reconciliation of Net Asset Value calculated from the Restated Consolidated Financial Information)

## 6. Comparison of Accounting Ratios with Listed Industry Peers

Following is the comparison with our peer companies listed in India and in the same line of business as our Company:

Name of Company	Face Value (₹ Per Share)	Closing price on January 15, 2024 (₹)	Total Income, for Fiscal 2023 (in ₹ million)	EPS (₹)		NAV (₹ per share)	P/E	RoNW (%)
				Basic	Diluted			
Entero Healthcare Solutions Limited	10.00	NA	33,057.21	(3.43)	(3.43)	174.21	NA	(1.86)%
<b>Peer Group</b>								
MedPlus Health Services Limited	2.00	738.95	46,036.54	4.17	4.17	124.93	177.21	3.36%

Notes:

(a) Financial information for Company is derived from the Restated Consolidated Financial Information for the year ended March 31, 2023. For listed peers:

(b) All the financial information for listed industry peer mentioned above is on a consolidated basis and is sourced from the annual reports/annual results as available of the respective company for the year ended March 31, 2023 submitted to stock exchanges.

(c) P/E Ratio has been computed based on the closing market price of equity shares on NSE on January 15, 2024, divided by the Diluted EPS.

(d) Return on Net Worth (RoNW) (%) = Net Profit / (Loss) after tax / Net worth (Total Equity) at the end of the year.

(e) Net asset value per share (in ₹) represents net asset value per equity share. It is calculated as net worth as of the end of the relevant year divided by the number of equity share outstanding at the end of the respective year.

## 7. Key Performance Indicators

The table below sets forth the details of certain key performance indicators (“KPIs”) that our Company considers have a bearing for arriving at the basis for Offer Price. All the KPIs disclosed below have been approved by a resolution of our Audit Committee dated January 21, 2024. The Audit Committee has further confirmed that the KPIs pertaining to the Company that have been disclosed to earlier investors at any point of time during the three years period prior to the date of filing of the Red Herring Prospectus have been disclosed in this section and have been verified and audited by N B T and Co, Chartered Accountants (Firm Registration Number: 140489W), holding a valid certificate issued by the peer review board of the ICAI. The KPIs disclosed below have been certified by N B T & Co, Chartered Accountants (Firm Registration Number: 140489W), pursuant to certificate dated January 21, 2024.

Our Company shall continue to disclose the KPIs disclosed in this section, on a periodic basis, at least once in a year (or for any lesser period as determined by our Company), for a duration that is at least the later of (i) one year after the listing date or period specified by SEBI; or (ii) till the utilization of the Net Proceeds. Any change in these KPIs, during the aforementioned period, will be explained by our Company. The ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

**The list of our KPIs along with brief explanation of the relevance of the KPI for our business operations are set forth below:**

KPI	Explanation	
<b>Operational</b>	Customers (Retail)	This metric helps us track the retail stores serviced over multiple periods and geography
	Customers (Hospital)	This metric helps us track the hospitals serviced over multiple periods - thereby align our business strategies accordingly
	SKUs handled	This metric helps us understand availability of multiple SKUs and lines of businesses
	Pharmaceutical and healthcare companies	This metric helps us track the number of companies we serve and their product availability through our channel

KPI		Explanation
	whose products have been billed	
	Districts covered	This metric helps us track our presence in terms of the number of districts we service across multiple periods
	Warehouses	Count of active warehouses
	Warehouse Area	This metric helps us track our storage capacities through better inventory management practices.
	Employees	This metric helps us analyse the company performance and growth via changes in headcount over multiple periods.
	Average Sales per Month per customer	This metric helps us analyse the trends in average sale to customers on a monthly basis over multiple periods.
Financial	Revenue Growth	This metric is used by the management to track revenue growth across multiple periods and deploy strategies accordingly
	Gross Profit	This metric helps the company to track gross margin from various product categories over multiple periods.
	Gross Profit Margin	This metric helps the company to track gross margin generated over multiple periods.
	EBITDA	We believe that tracking EBITDA helps us identify underlying trends in our business and facilitates evaluation of year-on-year operating performance of our operations by eliminating items that are variable in nature and not considered by us in the evaluation of ongoing operating performance and allowing comparison of our recurring core business operating results over multiple periods.
	EBITDA Margin	We believe that tracking EBITDA margin assists in tracking the margin profile of our business and in understanding areas of our business operations which have scope for improvement.
	Unit EBITDA Margin	This ratio helps the company in measuring EBITDA from core operations of the business, excluding central costs.
	Restated Profit for the Year/Period	We believe that tracking profit after tax helps us track the overall profitability of our business after tax.
	Profit After Tax Margin	We believe that tracking PAT margin assists in tracking the margin profile of our business and allows comparison of results over multiple periods.
	Net Working Capital Days	This metric helps the Company to track cash conversion over multiple periods.
	ROCE	This ratio helps the company in measuring the operating returns generated from total capital employed in the business.
ROE	This ratio helps the company in measuring the returns generated from equity financing.	

**Details of KPIs as at/for the six months ended September 30, 2023, and September 30, 2022, and the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021:**

KPIs	Unit	Six months ended September 30, 2023	Six months ended September 30, 2022	Fiscal 2023	Fiscal 2022	Fiscal 2021
<b>Operational</b>						
Customers (Retail) <sup>(1)</sup>	(Number)	73,700+	65,000+	81,400+	64,200+	39,500+
Customers (Hospital) <sup>(2)</sup>	(Number)	2,800+	2,400+	3,400+	2,500+	1,600+
SKUs handled <sup>(3)</sup>	(Number)	63,900+	59,000+	64,500+	56,500+	44,400+
Pharmaceutical and healthcare companies whose products have been billed <sup>(4)</sup>	(Number)	1,900+	1,700+	1,900+	1,700+	1,100+
Districts covered <sup>(5)</sup>	(Number)	501	471	495	463	420
Warehouses <sup>(6)</sup>	(Number)	77	71	74	60	44
Warehouse Area <sup>(7)</sup>	(Square feet)	464,112	433,238	430,556	408,924	312,783
Employees <sup>(8)</sup>	(Number)	3,181	3,018	3,041	2,875	2,141
Average Sales per Month per Customer <sup>(9)</sup>	(₹)	37,532	36,889	30,143	29,213	32,801
<b>Financial</b>						
Revenue Growth <sup>(10)</sup>	(%)	19.67%	NA	30.85%	41.71%	31.87%
Gross Profit <sup>(11)</sup>	(₹ in million)	1,691.57	1,286.76	2,683.42	2,096.28	1,415.97

KPIs	Unit	Six months ended September 30, 2023	Six months ended September 30, 2022	Fiscal 2023	Fiscal 2022	Fiscal 2021
Gross Profit Margin <sup>(12)</sup>	(%)	8.92%	8.12%	8.13%	8.31%	7.96%
EBITDA <sup>(13)</sup>	(₹ in million)	543.66	250.28	640.07	244.38	215.45
EBITDA Margin <sup>(14)</sup>	(%)	2.87%	1.58%	1.94%	0.97%	1.21%
Unit EBITDA Margin <sup>(15)</sup>	(%)	4.09%	3.78%	3.74%	3.72%	3.46%
Restated Profit for the Year/Period <sup>(16)</sup>	(₹ in million)	116.42	(108.57)	(111.04)	(294.39)	(153.54)
Profit after Tax Margin <sup>(17)</sup>	(%)	0.61%	(0.69)%	(0.34)%	(1.17)%	(0.86)%
Net Working Capital Days <sup>(18)</sup>	(Number)	67	64	63	69	74
ROCE <sup>(19)</sup>	(%)	5.17% <sup>(21)</sup>	2.13% <sup>(21)</sup>	6.05%	1.49%	1.88%
ROE <sup>(20)</sup>	(%)	2.54% <sup>(21)</sup>	(2.61)% <sup>(21)</sup>	(2.66)%	(7.35)%	(4.23)%

Notes:

- Customers (Retail) refer to the number of “trade”, “retail” or “healthcare practitioners” customers with one or more billed invoice during the period.
- Customers (Hospital) refer to the number of “hospitals” or “nursing homes” customers with one or more billed invoice during the period.
- SKUs handled refer to the number of unique SKUs that have been billed by us during the period. Examples of SKUs include pharmaceutical SKUs, fast moving consumer goods SKUs and surgicals / consumables SKUs.
- Pharmaceutical and healthcare companies whose products have been billed refers to the number of pharmaceutical and healthcare companies whose products were billed by us during the period.
- Districts refer to the number of districts where one or more customers have been billed during the period. Districts are mapped based on the pincode mentioned in the customer’s address field.
- Warehouses refer to the number of active warehouses (with a unique drug license) with one or more products billed from that warehouse.
- Warehouse area refers to the total square footage of area across all our active warehouses.
- Employees refer to the number of employees that are on our Company or our Subsidiaries’ payroll as on the last date of the respective Fiscal/period.
- Average Sales per Month per customer refers to the Restated revenue from operations for the year or the six months period divided by 12 or 6 respectively, and total number of customers.
- Revenue growth is calculated as growth in revenue for the relevant year/period as compared to the corresponding previous year/period.
- Gross profit is calculated as revenue from operations reduced by purchase of stock-in-trade and changes in inventories of stock-in-trade.
- Gross profit margin is calculated as gross profit divided by revenue from operations.
- EBITDA is calculated as revenue from operations reduced by purchase of stock-in-trade and changes in inventories of stock-in-trade, employee benefit expense and other expenses.
- EBITDA margin is calculated as EBITDA divided by revenue from operations.
- Unit EBITDA Margin refers to the consolidated EBITDA % of individual standalone distributor entities.
- Restated profit for the year/period is calculated as Total income reduced by Total expenses and Total tax expenses.
- Profit after tax margin is calculated as restated profit after tax divided by total income.
- Net working capital days is calculated by net working capital (which is calculated as current asset (excluding cash/bank or cash equivalents) reduced by current liabilities (excluding short term borrowings)) represented in days sales (grossed up for taxes) during the period. The net working capital days for the six months ended September 30, 2023 and September 30, 2022 are annualized figures.
- ROCE is calculated as EBIT (which represents the sum of profit before tax and Interest expenses) divided by average capital employed (calculated as the sum of opening capital employed and closing capital employed, and then divided by two) during the period. Capital employed is calculated as the sum of tangible net worth, borrowings and deferred tax liability. Tangible net worth is the sum of total equity (including non-controlling interest) reduced by goodwill, other intangible assets and intangible assets under development.
- ROE is calculated as restated profit after tax divided by average tangible net worth. Tangible net worth is the sum of total equity (including Non-controlling interest) reduced by goodwill, other intangible assets and intangible assets under development. Average tangible net worth is calculated as the sum of opening tangible net worth and closing tangible net worth and then divided by two.
- Not annualised

Above mentioned KPIs includes details of acquisitions or/and dispositions made by the Company during the six months ended September 30, 2023, and September 30, 2022, and the financial years ending March 31, 2023, 2022 and 2021, details of which are mentioned below:

Year of Acquisition	Number of Acquisitions	Sale of goods during the six months ended September 30, 2023 (₹ million)	Sale of goods during the six months ended September 30, 2022 (₹ million)	Sale of goods during the Financial Year 2023 (₹ million)	Sale of goods during the Financial Year 2022 (₹ million)	Sale of goods during the Financial Year 2021 (₹ million)
Six months ended September 30, 2023	1	39.76	-	836.24	-	-
Six months ended September 30, 2022	3	818.74	248.72	836.24	-	-
Financial Year 2022-2023	3	818.74	248.72	836.24	-	-

Financial Year 2021-2022	8	3,464.56	2,581.28	5,304.21	1,416.26	-
Financial Year 2020-2021	3	303.14	223.30	475.77	325.11	212.28

For details of our other operating metrics disclosed elsewhere in this Prospectus, see “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 180 and 429, respectively.

#### 8. Comparison of KPIs with listed industry peers:

As at and for Fiscal 2023		
Key Performance Indicators	Entero Healthcare Solutions Limited <sup>(1)</sup>	Medplus Health Services Limited <sup>(2)</sup>
Customers (Retail) <sup>(3)</sup>	81,400+ <sup>(4)</sup>	NA
Customers (Hospital) <sup>(5)</sup>	3400+	NA
SKUs handled	64,500+	44,000+
Pharmaceutical and Healthcare Companies whose products have been billed <sup>(6)</sup>	1900+	NA
Districts covered <sup>(7)</sup>	495	NA
Warehouses	74	10
Warehouse Area <sup>(8)</sup>	430,556	NA
Employee	3,041	22,000
Average Sales per Month per Customer <sup>(9)</sup>	30,143	NA
Revenue growth (%) <sup>(10)</sup>	30.85%	20.81%
Gross Profit (in ₹ million) <sup>(11)</sup>	2,683.42	10,459.66
Gross Profit Margin (%) <sup>(12)</sup>	8.13%	22.72%
EBITDA (in ₹ million) <sup>(13)</sup>	640.07	3,117.46 <sup>(20)</sup>
EBITDA Margin (%) <sup>(14)</sup>	1.94%	6.77%
Unit EBITDA Margin (%) <sup>(15)</sup>	3.74%	NA
Profit after tax (in ₹ million)	(111.04)	501.05
Profit after Tax Margin (%) <sup>(16)</sup>	(0.34)%	1.09%
Net Working Capital (NWC) Days <sup>(17)</sup>	70*	73
ROCE (%) <sup>(18)</sup>	6.05%	9.16%
ROE (%) <sup>(19)</sup>	(2.66)%	3.56%

\*Working capital days provided above are at net level, working capital days grossed up for GST taxes for Entero Healthcare Solutions Ltd. is 63 days for fiscal 2023. Same value for peers cannot be calculated as exact data for peers regarding the same is not available

1. Financial data as per Restated Consolidated Financial Information
2. Operational data as of fiscal 2023 on consolidated basis; financial data as per quarterly financials, since data is updated as per quarterly reports for fiscal 2023 and detailed schedules are not available, there is no classification of other income available hence it is considered as part of operating income; as of September 1, 2023, annual report for Medplus Health Services Limited is not available in the public domain.
3. Customers (Retail) refer to the number of “trade”, “retail” or “healthcare practitioners” customers with one or more billed invoice during the period.
4. Includes physicians as customers.
5. Customers (Hospital) refer to the number of “hospitals” or “nursing homes” customers with one or more billed invoice during the period.
6. Pharmaceutical and healthcare companies whose products have been billed refers to the number of pharmaceutical and healthcare companies with products billed during the period
7. Districts refer to the number of districts where one or more customers have been billed during the period. Districts are mapped based on the pincode mentioned in the customer’s address field.
8. Warehouse area refers to the total square footage of area across all our active warehouses.
9. Average Sales per Month per Customer refers to the Restated Revenue from Operations for the year divided by 12 and the total number of customers
10. Revenue Growth refers to year-on-year growth. Revenue growth is calculated as the growth in revenue for the relevant year as compared to the corresponding previous year.
11. Gross Profit is calculated as Revenue from Operations reduced by Purchase of Stock-in-Trade and Changes in Inventories of Stock-in-Trade.
12. Gross Profit Margin is calculated as Gross Profit divided by Revenue from Operations
13. EBITDA is calculated as Revenue from Operations reduced by Purchase of Stock-in-Trade and Changes in Inventories of Stock-in-Trade, Employee Benefit Expense and Other Expenses
14. EBITDA Margin is calculated as EBITDA divided by Revenue from Operations.
15. Unit EBITDA margin refers to the consolidated EBITDA % of individual standalone distributor entities.
16. Profit After Tax Margin is calculated as Restated Profit after Tax divided by Total Income
17. NWC (Net working capital) days= Debtors days + inventory days - payable days
18. ROCE is calculated as EBIT (which represents the sum of profit before tax and Interest expenses) divided by average capital employed (calculated as the sum of opening capital employed and closing capital employed, and then divided by two) during the period. Capital



employed is calculated as the sum of tangible net worth, borrowings and deferred tax liability. Tangible net worth is the sum of total equity (including non-controlling interest) reduced by goodwill, other intangible assets and intangible assets under development.

19. ROE is calculated as restated profit after tax divided by Average Tangible Net Worth. Tangible net worth is the sum of total equity (including non-controlling interest) reduced by goodwill, other intangible assets and intangible assets under development. Average tangible net worth is calculated as the sum of opening tangible net worth and closing tangible net worth and then divided by two.
20. EBITDA calculation is done considering other income as part of Operating income

## 9. Price per share, floor price and cap price

- a) **Price per share of the Company (as adjusted for corporate actions, including split, bonus issuances) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under the ESOP Plans and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Primary Issuances”)**

Name of Allottee	Date of Allotment	Nature of Allotment	Nature of Specified Security	Issue Price per Specified Security (in ₹)*	Transaction as a % of the fully diluted paid up capital of our Company	Number of specified securities allotted
Prabhat Agrawal and certain other allottees	September 12, 2022	Right Issue	Equity Shares	10.00	6.79%	2,61,327
OrbiMed Asia III Mauritius Limited and certain other allottees disclosed in the section titled “Capital Structure – History of Equity Share Capital of our Company” on pages 95 to 104	July 12, 2023	Conversion of CCPS into Equity Shares	Equity Shares	10.00	290.78%	11,955,359
OrbiMed Asia III Mauritius Limited	January 27, 2024	Conversion of CCPS A1 Series into Equity Shares	Equity Shares	423.07	68.18%	1,09,54,617
Tushar Kumar (For IM Investments Trust) and certain other allottees	January 27, 2024	Conversion of CCPS A2 Series into Equity Shares	Equity Shares	423.08	23.28%	37,40,532
Prem Sethi and certain other allottees	January 27, 2024	Conversion of CCPS A3 Series into Equity Shares	Equity Shares	10.70	18.02%	28,94,741
Petros Diamantides and certain other allottees	January 27, 2024	Conversion of CCPS A4 Series into Equity Shares	Equity Shares	412.61	4.05%	6,50,771
OrbiMed Asia III Mauritius Limited and certain other allottees	January 27, 2024	Conversion of CCPS A5 Series into Equity Shares	Equity Shares	412.61	7.69%	12,35,651

*\*Issue price has been considered as amount paid at the time of CCPS acquisition divided by the number of equity shares allotted pursuant to conversion of CCPS.*

- b) **Price per share of the Company (as adjusted for corporate actions, including bonus issuances) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) where Promoters or members of the Promoter Group or Selling Shareholders or other shareholders with rights to nominate directors are a party to the transaction during the 18 months preceding the date of filing of the Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Secondary Transactions”)**

Not applicable

Since there are eligible transactions to report to under (a) and (b), the details of the price per share of the Company, based on the last five primary or secondary transactions (secondary transactions where the Promoters or members of the Promoter Group or shareholders having a right to nominate directors to the Board are a party to the transaction, excluding gifts), not older than three years prior to the date of the Red Herring Prospectus has not been computed.

For further details in relation to the share capital history of our Company, see “*Capital Structure*” on page 93.

10. ***The Floor Price is 4.68 times and the Cap Price is 4.92 times the weighted average cost of acquisition based on the primary/ secondary transactions disclosed above, at which the Equity Shares were issued by our Company, or acquired or sold by the shareholders with rights to nominate directors are disclosed below:***

Past Transactions	Weighted average cost of acquisition of Specified Securities	Floor Price <sup>^</sup>	Cap Price <sup>^</sup>
	(₹.)	₹1,195	₹1,258
Issuance of Equity Shares or convertible securities during the 18 months preceding the date of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up Equity Share capital of our Company (calculated based on the pre-issue capital before such transactions and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	255.56	4.68 times	4.92 times
secondary sale/ acquisitions of Equity Shares or any convertible securities, where the Promoter, members of the Promoter Group, Selling Shareholders, or Shareholders having the right to nominate Directors on our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of the Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	Not applicable	Not applicable	Not applicable

<sup>^</sup>To be updated at Prospectus stage

#### 11. ***Justification for Basis for Offer price***

*Detailed explanation for Offer Price/Cap Price being 4.92 times of WACA of past five primary issuances /secondary transactions of Equity Shares (as disclosed above) along with our Company’s KPIs and financial ratios for the six months ended September 30, 2023, September 30, 2022, and the Fiscals 2023, 2022 and 2021 and in view of the external factors which may have influenced the pricing of the issue, if any.*

1. We are amongst the top three healthcare products distributors in India in terms of revenue in Financial Year 2022, and reported an operating income of ₹25,220.65 million in Financial Year 2022 (Source: CRISIL Report).
2. We have achieved the fastest scale-up of operations among healthcare products distributors in India (between Financial Year 2019 to Financial Year 2022), and reached ₹25,000 million of operating income within four years of operations (Source: CRISIL Report).
3. We add value to the healthcare product manufacturers that work with us by providing them reach and accessibility to pharmacies, hospitals and clinics through our integrated and technology driven, pan-India healthcare products distribution platform.
4. We also provide a diverse spectrum of healthcare products, including pharmaceutical products, nutraceuticals, medical devices, surgical consumables, over-the-counter medicines and vaccines, which enables us to become a one stop shop for our customer's healthcare product needs. Accordingly, we aim to provide high fill rates to our customers, which in turn enables them to provide high fill rates to end consumers. We also aim to provide low turnaround time to our customers. Our scale of operations allows us to procure products at competitive prices and have a wide product range with adequate inventory levels.
5. We leverage technology to provide a positive buying experience through our digital solutions such as the Entero Direct B2B application ("Entero Direct"), where customers have real-time visibility of our product range, pricing, inventory levels, order status, outstanding balances, promotional offers. Entero Direct can be used for order management 24 hours a day, seven days a week.
6. For the Financial Years 2021, 2022 and 2023, the six months ended 30 September 2022 and the six months ended September 30, 2023; our revenue from operations was ₹17,797.37 million, ₹25,220.65 million and ₹33,002.07, ₹15,839.68 and ₹18,955.01 million respectively.
7. For the Financial Years 2021, 2022 and 2023, the six months ended 30 September 2022 and the six months ended September 30, 2023; our Gross Profit margin was 7.96%, 8.31%, 8.13%, 8.12% and 8.92% respectively.
8. For the Financial Years 2021, 2022 and 2023, the six months ended 30 September 2022 and the six months ended September 30, 2023; our EBITDA margin was 1.21%, 0.97% 1.94%, 1.58% and 2.87% respectively.

**12. *The Offer Price is 125.80 times of the face value of the Equity Shares.***

The Offer Price of ₹1,258 has been determined by our Company in consultation with the BRLMs, on the basis of assessment of demand from investors for Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with "*Risk Factors*", "*Our Business*", "*Financial Information – Restated Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 39, 180, 279, and 429 respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "*Risk Factors*" beginning on page 39 and you may lose all or part of your investments.

## STATEMENT OF SPECIAL TAX BENEFITS

To,

**The Board of Directors**  
**Entero Healthcare Solutions Limited**  
Plot No. I-35, Building -B  
Industrial Area Phase-I  
13/7 Mathura Road  
Faridabad 121 003  
Haryana

**Sub: Statement of possible special tax benefits available to Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited (the “Company”)) and its shareholders, prepared in accordance with the requirements under Schedule VI (Part A)(9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (“SEBI ICDR Regulations”)**

1. We, M S K A & Associates (“the Firm”), Chartered Accountants, the statutory auditors of the “Company” hereby confirm the enclosed statement in the Exhibit prepared and issued by the Company, which provides the possible special tax benefits under the direct and indirect tax laws presently in force in India, including the Income-tax Act, 1961, (‘**Act**’), the Income-tax Rules, 1962, (‘**Rules**’), the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017/ relevant State Goods and Services Tax Act, 2017 (“**GST Act**”), the Customs Act, 1962 (“**Customs Act**”), Foreign Trade Policy and Handbook of Procedures, and the rules made thereunder, (collectively the “**Taxation Laws**”), regulations, circulars and notifications issued thereon, as amended by the Finance Act, 2023 as applicable to the assessment year 2024-25 relevant to the financial year 2023-24, presently in force in India available to the Company and its Shareholders. There is no Material Subsidiary of the Company identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Several of these benefits are dependent on the Company and its Shareholders, as the case may be, fulfilling the conditions prescribed under the relevant provisions of the Taxation laws. Hence, the ability of the Company and its Shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company and its Shareholders face in the future, the Company and its shareholders may or may not choose to fulfil.
2. This statement of possible special tax benefits is required as per paragraph (9)(L) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (‘**SEBI ICDR Regulations**’). Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.
3. 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. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
4. The benefits stated in the enclosed statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company’s management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the distinct nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue and we shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of this statement. Also, any tax information included in this written communication was not intended or written to be used, and it cannot be used by the Company or the investor, for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency.

5. We do not express any opinion or provide any assurance whether:
  - The Company and its shareholders will continue to obtain these benefits in future;
  - The conditions prescribed for availing the benefits have been/would be met;
  - The revenue authorities/courts will concur with the views expressed herein.
6. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct, and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law.

No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our Firm or any of partners or affiliates, shall not be responsible for any loss, penalties, surcharges, interest or additional tax or any tax or non-tax, monetary or non-monetary, effects or liabilities (consequential, indirect, punitive or incidental) before any authority / otherwise within or outside India arising from the supply of incorrect or incomplete information of the Company.

7. This Statement is addressed to Board of Directors and issued at specific request of the Company. The enclosed Exhibit to this Statement is intended solely for your information and for inclusion in the Red Herring Prospectus and the Prospectus and any other material in connection with the proposed initial public offering of equity shares of the Company, and is not to be used, referred to or distributed for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. Any subsequent amendment / modification to provisions of the applicable laws may have an impact on the views contained in our statement. While reasonable care has been taken in the preparation of this certificate, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

**For M S K A & Associates**  
**Chartered Accountants**  
**Firm Registration Number:105047W**

**Jiger Saiya**  
**Partner**  
Membership No: 116349  
UDIN: 24116349BKFZIO8640  
Place: Mumbai  
Date: January 21, 2024

## **EXHIBIT to the Statement of Possible Special Tax Benefits**

### **Direct Taxation**

This statement of possible special direct tax benefits available to the Company and its shareholders under the direct tax laws in force in India. This statement is required as per paragraph (9)(L) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (“SEBI ICDR Regulations”). This statement is as per the Income-tax Act, 1961 as amended by the Finance Act, 2023 read with the relevant rules, circulars and notifications applicable for the Financial Year 2023-24 relevant to the Assessment Year 2024-25, presently in force.

#### **1. Special Income tax benefits available to the Company in India under the Income tax Act, 1961 (‘Act’)**

- Section 115BAA of the Act, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a corporate tax rate of 22% (plus applicable surcharge and cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified incentives/deductions or set-off of losses, depreciation etc. and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax (‘MAT’) would not be applicable and unutilized MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year. The Company may claim such beneficial tax rate in future years subject to giving away any other income-tax benefits under the Act (other than the deduction available under section 80JJAA and 80M of the Act) and fulfilling the then prevailing provisions under the Act.
- Subject to the fulfilment of prescribed conditions, for the year, the Company is entitled to claim deduction under section 80JJAA of the Act with respect to an amount equal to 30% of additional employee cost (relating to specified category of employees) incurred in the course of business in the year, for three assessment years including the assessment year relevant to the year in which such employment is provided. Further, where the Company wishes to claim such possible tax benefit, it shall obtain necessary certification from a Chartered Accountant on fulfilment of the conditions under the extant provisions of the Act.
- As per the provisions of section 80M of the Act, dividend received by the Company from any other domestic company or a foreign company shall be eligible for deduction while computing its total income for the relevant year. The amount of such deduction would be restricted to the amount of dividend distributed by the Company to its Shareholders on or before one month prior to due date of filing of its Income-Tax return for the relevant year. Since the Company has investments in Indian subsidiaries, it may avail the above mentioned benefit under section 80M of the Act.

#### **2. Special Income tax benefits available to the Shareholders of Company under the Act in relation to transfer of equity shares of the Company.**

- There are no special tax benefit available to the Shareholders of Company for investing in the shares of the Company. However, such shareholders shall be liable to concessional tax rates on certain incomes under the extant provisions of the Act.
- Section 112A of the Act provides for concessional rate of tax at the rate of 10% on long term capital gain arising on transfer of equity shares with effect from April 1, 2019 (i.e., Assessment Year 2019-20) subject to conditions. Any long term capital gain, exceeding INR 1,00,000 arising from the transfer of a long-term capital asset (i.e., capital asset held for the period of 12 months or more) being an Equity Share in a company or a unit of an equity-oriented fund wherein Securities Transaction Tax (‘STT’) is paid on both acquisition and transfer, income tax is charged at a rate of 10% without giving effect to indexation. Further, the benefit of lower rate is extended in case STT is not paid on acquisition / allotment of equity shares through Initial Public Offering.
- Section 111A of the Act provides for concessional rate of tax @ 15% in respect of short-term capital gains (provided the short-term capital gains exceed the basic threshold limit of exemption, where

applicable) arising from the transfer of a short-term capital asset (i.e. capital asset held for the period of less than 12 months) being an Equity Share in a company or a unit of an equity-oriented fund wherein STT is paid on both acquisition and transfer.

- Separately, any dividend income received by the shareholders would be subject to tax deduction at source by the company under section 194 @ 10%. However, in case of individual shareholders, this would apply only if dividend income exceeds INR 5,000. Further, dividend income shall be taxable in the hands of the shareholders at the rates as applicable in their case.
- In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident shareholder has fiscal domicile.

**A. SPECIAL TAX BENEFITS UNDER THE INDIRECT TAX REGULATIONS IN THE HANDS OF ENTERO HEALTHCARE SOLUTIONS LIMITED AND THE SHAREHOLDERS OF THE COMPANY**

Based on the information provided by the management, we hereby state that no special tax benefits are available to the Company and the Shareholders under the Indirect Tax regulations.

Note: For the purpose of reporting here, we have not considered the general tax benefits available to the Company or shareholders under Indirect Tax Regulations.

**Note:**

*Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on this statement is on the express understanding that we do not assume responsibility towards the Investors who may or may not invest in the proposed issue relying on this statement.*

*This statement has been prepared solely in connection with the Initial Public Offering under the Regulations as amended.*

**For and on behalf of the Board of Directors  
Entero Healthcare Solutions Limited**

Name: **C V Ram**

Designation: Chief Financial Officer

Place: Mumbai

Date: January 21, 2024



## SECTION IV – ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

*The information in this section is derived from the report dated November 2023 (the “CRISIL Report”) prepared by CRISIL Limited (“CRISIL”). A copy of the CRISIL Report is available on the website of our Company at <https://www.enterohealthcare.com/investor/initial-public-offer/industry-report.php> from the date of the Red Herring Prospectus till the Bid Offer/Closing Date. We commissioned and paid for the CRISIL Report for an agreed fee for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. We officially engaged CRISIL in connection with the preparation of the CRISIL Report on June 28, 2023. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the Offer), that have been left out or changed in any manner.*

*CRISIL Market Intelligence & Analytics (“CRISIL MI&A”), a division of CRISIL has taken due care and caution in preparing the CRISIL Report based on the information obtained by CRISIL from sources which it considers reliable. The CRISIL Report is not a recommendation to invest or disinvest in any entity covered in the CRISIL Report and no part of the CRISIL Report should be construed as an expert advice or investment advice within the meaning of any law or regulation. CRISIL especially states that nothing in the CRISIL Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. CRISIL MI&A operates independently of and does not have access to information obtained by CRISIL Ratings Limited, which may, in its regular operations, obtain information of confidential nature. The views expressed in the CRISIL Report are that of CRISIL MI&A and not of CRISIL Ratings Limited.*

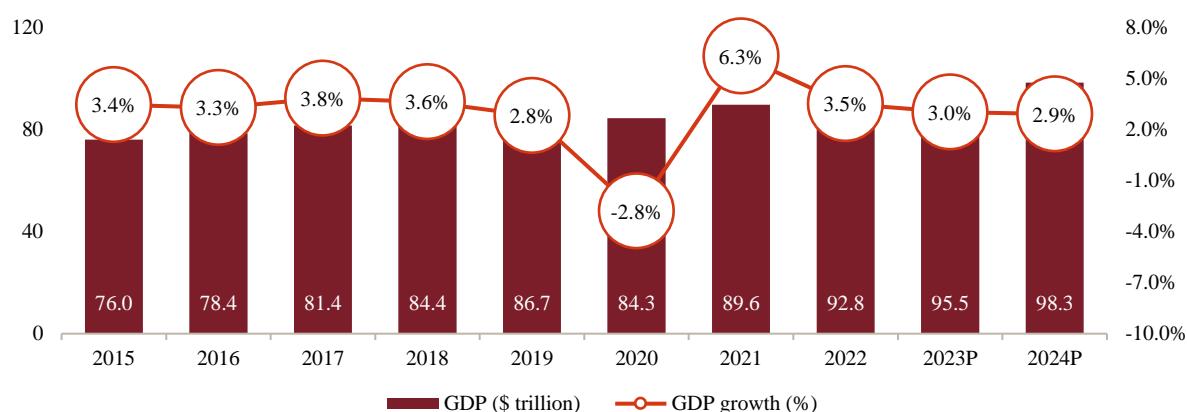
#### **Global macroeconomic assessment**

***Global GDP is estimated to grow 3.0% in 2023 and 2.9% in 2024 amid tighter monetary policy and recovery from Covid-19 and Russia-Ukraine war effects***

As per the International Monetary Fund’s (IMF) October 2023 update, global gross domestic product (GDP) growth is expected to moderate from 3.5% in 2022 to 3.0% in 2023 and in 2.9% 2024. The latest estimate is 0.1 percentage point lower for 2024 compared with IMF’s previous forecast in July, mainly due to the long-term consequences of the pandemic, the war in Ukraine, and increasing geoeconomic fragmentation. Economic slowdown compared with 2022 is expected to be mainly driven by distress in financial systems, broadening inflationary pressures, the Russia-Ukraine conflict, a slowdown in China and recent geopolitical issues. According to the IMF, the growth forecast for 2023 reflects the rise in central bank rates to fight inflation, especially in advanced economies as well as the impact of the war in Ukraine. The decline in growth in 2023 is driven by advanced economies; with stronger services activity offset by weaker manufacturing, as well as idiosyncratic factors. On average, these economies are expected to have broadly stable growth in 2024 with a pickup in 2025. By contrast, emerging market and developing economies, on average, are projected to see stable growth over 2022–24, with a slight pickup in 2025, although with sizable shifts across regions.

As per the IMF update, achieving sustained disinflation has been the top priority for most economies amid the cost-of-living crisis. With tighter monetary conditions and lower growth potentially affecting the stability of financial and debt markets, reopening of the Chinese economy would safeguard the recovery and ease supply chain bottlenecks.

## Global GDP trend and outlook (2015-2024P, \$ trillion)



Note: P: Projection

Source: IMF economic database, World Bank national accounts data, the Organization for Economic Co-operation and Development (OECD) national accounts data, CRISIL Market Intelligence and Analytics (MI&A) Research

### India among the world's fastest-growing large economies

India was one of the fastest-growing economies in 2018 and 2019. In 2020, all countries, including developed ones such as the United States (US) and the United Kingdom (UK), except China, saw their GDP contracting due to the pandemic impact. India's GDP shrank 5.8% in fiscal 2021 (financial year: April-March). In 2021, GDP growth of all major economies rebounded as economic activities resumed and also due to the low base of 2020. Among the major economies, India, with a growth rate of ~9.1%, was the fastest growing economy in 2021, followed by China at 8.4%. The country also overtook the UK as the fifth-largest economy in the world in the April-June quarter of 2022 and registered GDP growth of 7.2% in 2022. India is expected to grow faster than China in 2023 and 2024 and its GDP is expected to grow 6.3% in 2023 and 6.3% in 2024 as per the IMF forecast.

### Real GDP growth by geographies

Regions	2017	2018	2019	2020	2021	2022	2023P	2024P
US	2.3	2.9	2.3	-2.8	5.9	2.1	2.1	1.5
Euro area	2.6	1.8	1.6	-6.1	5.4	3.5	0.7	1.2
UK	2.4	1.7	1.6	-11.0	7.6	4.1	0.5	0.6
China	6.9	6.8	6.0	2.2	8.4	3.0	5.0	4.2
Japan	1.7	0.6	-0.4	-4.3	2.1	1.0	2.0	1.0
India*	6.8	6.5	3.9	-5.8	9.1	7.2	6.3	6.3
World	3.8	3.6	2.8	-2.8	6.3	3.5	3.0	2.9

Note: P: Projection as per IMF update

\*Numbers for India are for financial year (2020 is fiscal 2021 and so on) and as per IMF forecast. CRISIL GDP forecast for India: 9.1% in fiscal 2022, 7.2% in fiscal 2023 and 6.0% in fiscal 2024

Source: IMF economic database, World Bank national accounts data, OECD national accounts data, CRISIL MI&A Research

### Macroeconomic assessment of India

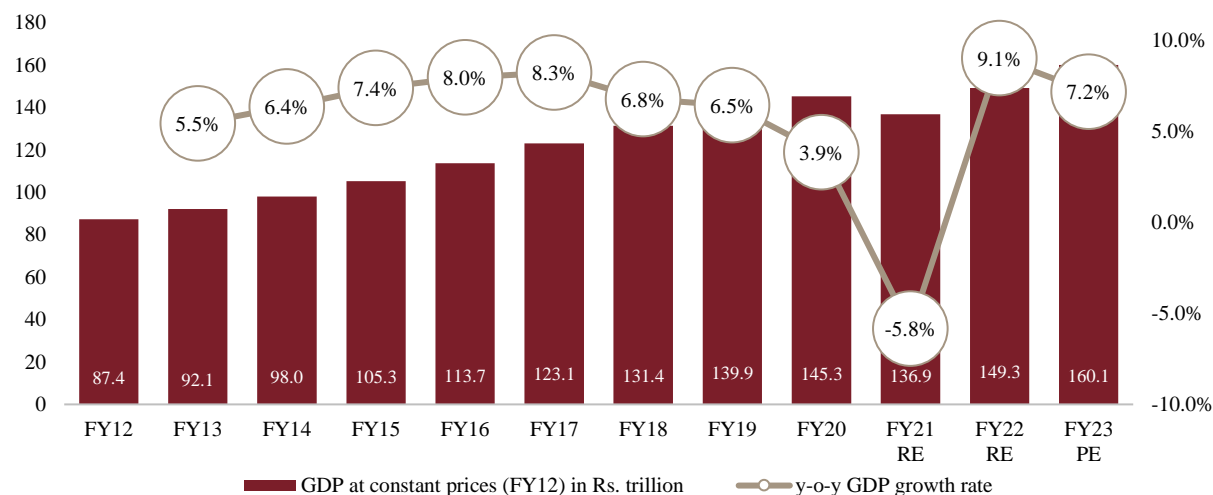
#### GDP grew at a 5.7% CAGR between fiscals 2012 and 2023

India's GDP logged a compound annual growth rate (CAGR) of 5.7% over the past 11 years to ₹160 trillion in fiscal 2023 from ₹87 trillion in fiscal 2012.

In fiscal 2022, India recovered from pandemic-related stress following the resumption of economic activity and easing of restrictions, although geopolitical pressures in the last quarter resulted in higher inflation. However, resumption of economic activity and healthy trade flows led to robust GDP growth of 9.1% in fiscal 2022 after

declining 5.8% in fiscal 2021. In FY23, the GDP rose 7.2% on strong growth momentum propelled by domestic demand from investment and private consumption through the year.

### Real GDP growth in India (new series)



Note: PE: Provisional Estimates; RE: Revised Estimates

Source: Provisional estimates of national income 2022-23, Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation (MoSPI), CRISIL MI&A Research

### GDP grew at a robust rate of 7.2% in fiscal 2023

While the Indian economic recovery continues to gather pace after the pandemic, there are several risks. Global growth is projected to slow as central banks in major economies withdraw easy monetary policies to tackle high inflation, leading to lower demand for Indian exports. Together with high commodity prices, especially oil, this may lead to a trade shock for the country. High commodity prices, along with depreciating rupee, indicate higher imported inflation.

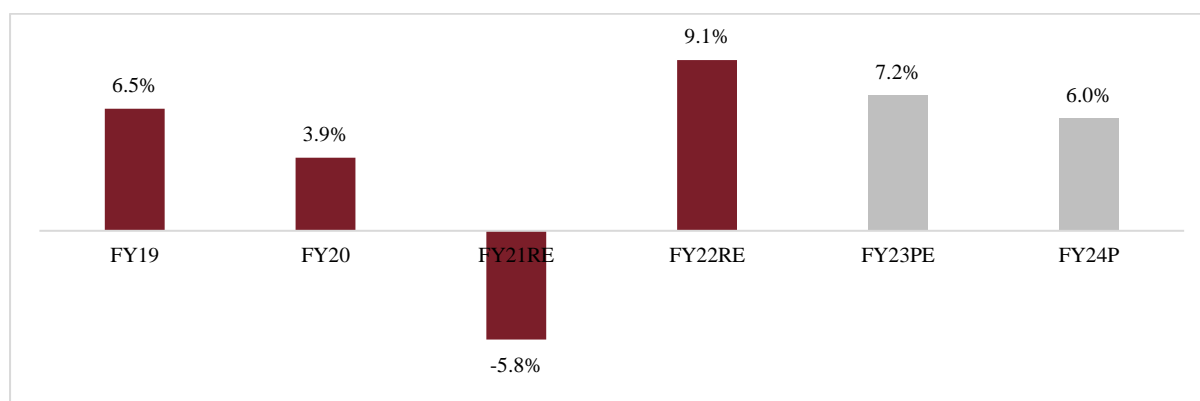
Data for the second and third quarters of fiscal 2023 reflect how the global slowdown had begun to spill over into the Indian economy. The first three quarter of fiscal 2023 saw a decline in the contribution of net exports to GDP growth, but the fourth quarter saw a recovery and positive growth. S&P Global expects US GDP to slow to 0.7% in CY2023 from 2.1% in CY2022 and eurozone GDP to decline to 0.3% from 3.5%. Major developed economies are expected to fall into a shallow recession in CY2023. S&P Global expects US GDP growth to swerve from 1.8% in CY2022 to negative 0.1% in CY2023, and European Union GDP growth to plunge from 3.3% to 0%. This will weaken the export prospects for India, thereby weighing on domestic industrial activity but strong domestic consumption will sustain growth in a reasonable range.

### CRISIL forecasts India's GDP to grow 6.0% in FY24

After the robust growth in FY2023, a slowdown seems inevitable in FY2024, driven by rising borrowing costs and global slowdown. Rate hikes are getting transmitted to broader lending rates with a lag and expected to peak in FY2024, hitting both global and domestic demand. S&P Global expects GDP growth for the United States and euro zone to slow in 2023. As these economies account for 33% of India's goods exports, the country is likely to see slower growth. Overall, real GDP of India is expected to grow 6.0% in FY2024 compared with 7.2% in FY2023.

While outlook for the external environment seems grim, India is positioned better with lower inflation rates and higher government capex. Government capex is expected to offer key support to the investment cycle this year. Private sector capex is also showing signs of a pick-up, because of the rising capacity utilisation. However, it will take time for the pick-up to be broad-based and for the segment to take the baton from the government. Overall, we expect India's real GDP to grow 6% this fiscal, compared with 7.2% in fiscal 2023.

## Real GDP growth



Note: RE: Revised Estimates, PE: Provisional Estimates, P: Projected

Source: Provisional Estimates of National Income, 2022-23, CSO, MoSPI, CRISIL MI&A Research

## India's GVA continues to record healthy growth

On the supply side, gross value added (GVA) grew 7.0% last fiscal, as per provisional estimates (compared with 8.8% in fiscal 2022). In absolute terms, real GVA rose to ₹147.6 trillion last fiscal from ₹138.0 trillion in fiscal 2022.

## GVA at constant fiscal 2012 prices

Segment	FY21RE ₹ trillion	FY22RE ₹ trillion	FY23PE ₹ trillion	Share in GVA FY23	Annual growth in FY23
Agriculture, forestry and fishing	20.8	21.5	22.3	15%	4.0%
Mining and quarrying	2.9	3.1	3.2	2%	4.6%
Manufacturing	23.3	25.8	26.2	18%	1.3%
Utility services	2.9	3.2	3.4	2%	9.0%
Construction	9.8	11.3	12.4	8.4%	10.0%
Trade, hotels, transport, communication and services related to broadcasting	21.6	24.6	28.0	19.0%	14.0%
Financial, real estate and professional services	29.6	31.0	33.2	22.5%	7.1%
Public administration, defence and other services	16.0	17.6	18.8	12.7%	7.2%
<b>GVA at basic prices</b>	<b>126.8</b>	<b>138.0</b>	<b>147.6</b>	-	<b>7.0%</b>

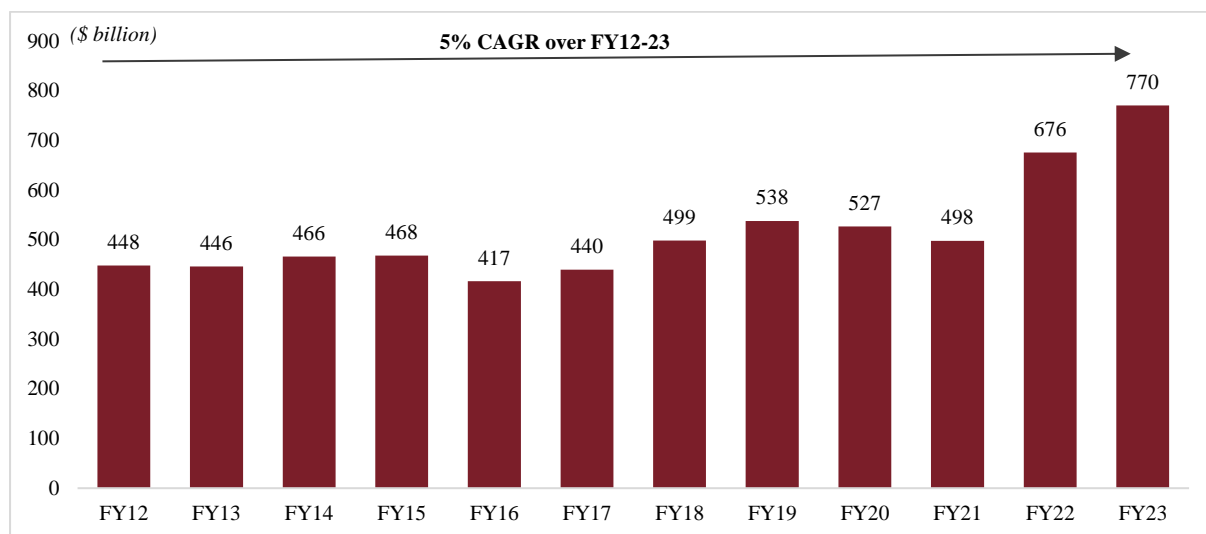
RE: Revised Estimate, PE: Provisional Estimate

Source: CRISIL MI&A Research

## Exports increased at a 5% CAGR between fiscals 2012 and 2023

India achieved an all-time high annual export of \$770 billion in fiscal 2023, up 13.84% from \$676 billion in fiscal 2022. Merchandise and services exports clocked a steady 5% CAGR during the mentioned period. The steady rise in exports can be attributed to India becoming a major manufacturing hub for key products as well as the central government's push for local manufacturing of key goods.

### India's export trend (merchandise + services)

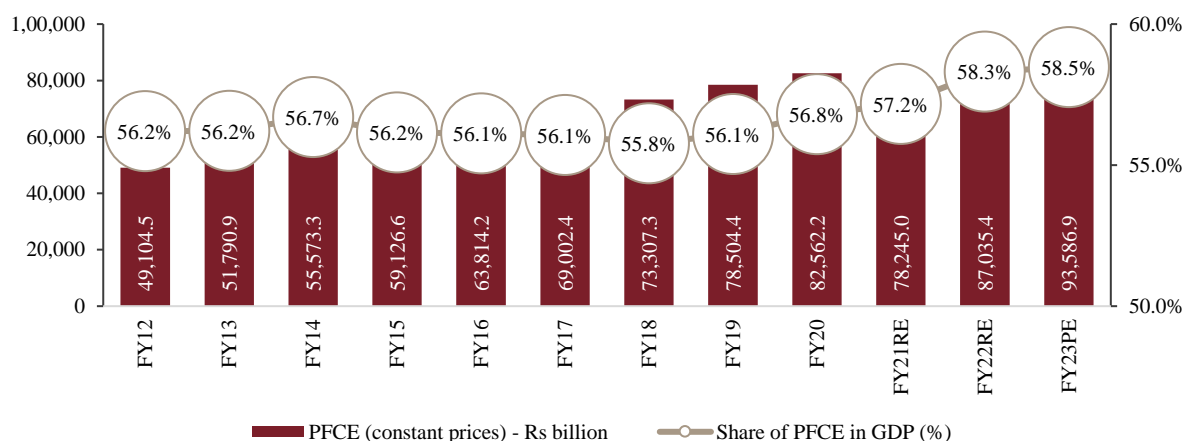


Source: Ministry of Commerce and Industry, CRISIL MI&A Research

### PFCE to maintain dominant share in India's GDP

Private final consumption expenditure (PFCE) at constant prices clocked a 6% CAGR between fiscals 2012 and 2023, maintaining its dominant share ever in the GDP pie at 58.5%, or ~₹93,587 billion in fiscal 2023, registering 7.5% y-o-y growth. Factors contributing to growth included good monsoons, wage revisions due to the implementation of the Seventh Central Pay Commission's recommendations, benign interest rates, and low inflation.

### PFCE (at constant prices)



Note: PE: Provisional Estimates; RE: Revised Estimates  
Source: MoSPI, CRISIL MI&A Research

### India has seen robust growth in per capita income in recent times

India's per capita income, a broad indicator of living standards, rose from ₹63,462 in fiscal 2012 to ₹98,374 in fiscal 2023, at a 4.1% CAGR. Per capita income recovered 7.6% and 6.3% in fiscal 2023 and 2022, respectively, after declining 8.7% in fiscal 2021. Growth was led by better job opportunities, propped up by overall GDP growth. Moreover, population growth remained stable at ~1% CAGR.

### Per capita net national income at constant prices

	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21RE	FY22RE	FY23PE	CAGR FY12- 23
<b>Per capita net national income (Rs)</b>	63,462	65,538	68,572	72,805	77,659	83,003	87,586	92,133	94,270	86,054	92,583	98,374	4.1%
<b>On-year growth (%)</b>		3.3	4.6	6.2	6.7	6.9	5.5	5.2	2.3	-8.7	7.6	6.3	-

Note: RE: Revised Estimates, PE: Provisional Estimates

Source: Provisional Estimates of Annual National Income, 2022-23, CSO, MoSPI, CRISIL MI&A Research

### India's per capita GDP grows faster than global average

Global GDP per capita clocked a CAGR of 3.4% between 2017 and 2022, as per the International Monetary Fund (IMF) data. Meanwhile, India's corresponding figure registered a CAGR of 4.1%.

### Per capita GDP at current prices

	2017	2018	2019	2020	2021	2022	2023P	2024P
<b>India per capita GDP at current prices (\$)</b>	1,958	1,974	2,050	1,913	2,238	2,392	2,612	2,848
<b>World per capita GDP at current prices (\$)</b>	10,906	11,457	11,500	11,077	12,468	12,895	13,333	13,872

Note: P-Projected

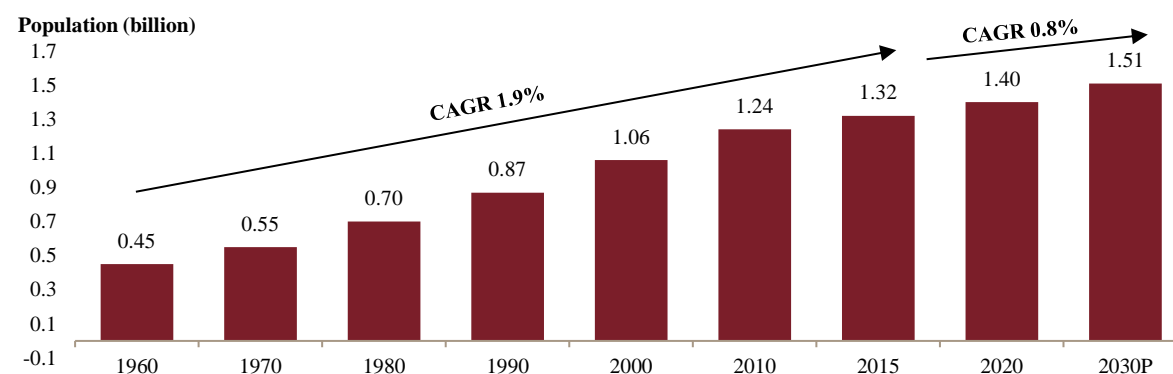
Source: IMF, CRISIL MI&A Research

### India's population projected to grow at 0.8% CAGR between 2020 and 2030

India's population grew to ~1.2 billion according to Census 2011, at a CAGR of 1.9% over 2001-11. As per the 2010 census, the country had ~246 million households.

According to the United Nation's (UN) World Population Prospects, 2022 revision, India and China, two of the most populous countries, accounted for nearly 36% of the world's population in 2021. The report projects India's population to increase to 1.5 billion by 2030, at a CAGR of 0.8% over 2020-30. According to UN estimates, India surpassed China to become the most populous country in April 2023 with 1.425 billion people, matching and then surpassing the population of Mainland China.

### India's population growth



Note: P: Projected

Source: UN Department of Economic and Social Affairs, World Population Prospects 2022, CRISIL MI&A Research

### ***Indian population's median age to rise to 30.9 years by 2030***

According to the UN, the global median age rose to ~30 years in 2020 from ~20 years in 1970. This is lower than the median age in developed countries such as the US (37.5 years) and the UK (39.5 years).

Interestingly, India's median age is 27.3 years, indicating a favourable demographic dividend. Furthermore, it is the lowest among its BRIC peers: Brazil (32.4 years), Russia (38.6 years), and China 37.4 years. This trend is expected to continue up to 2030, indicating the strong potential for an increase in income, and basic and healthcare spending, with a large proportion of the population being employed. The median age is expected to reach 30.9 years in 2030, indicating a higher mid-age working population.

### **Median age trend across key countries**

Country	1970	1990	2010	2015	2020	2030P
Brazil	17.3	21.5	28.2	30.3	32.4	36.5
China	18.0	23.7	34.1	35.6	37.4	42.7
India	18.3	20.0	24.0	25.5	27.3	30.9
Russian Federation	29.7	32.2	36.9	37.6	38.6	42.1
UK	33.2	34.8	38.5	39.0	39.5	41.6
US	27.2	31.8	36.1	36.6	37.5	39.7
World	20.3	23.0	27.3	28.5	29.7	32.1

*Source: United Nations, Department of Economic and Social Affairs, Population Division (2022); World Population Prospects 2022, CRISIL MI&A Research*

### ***India spends relatively very little on healthcare***

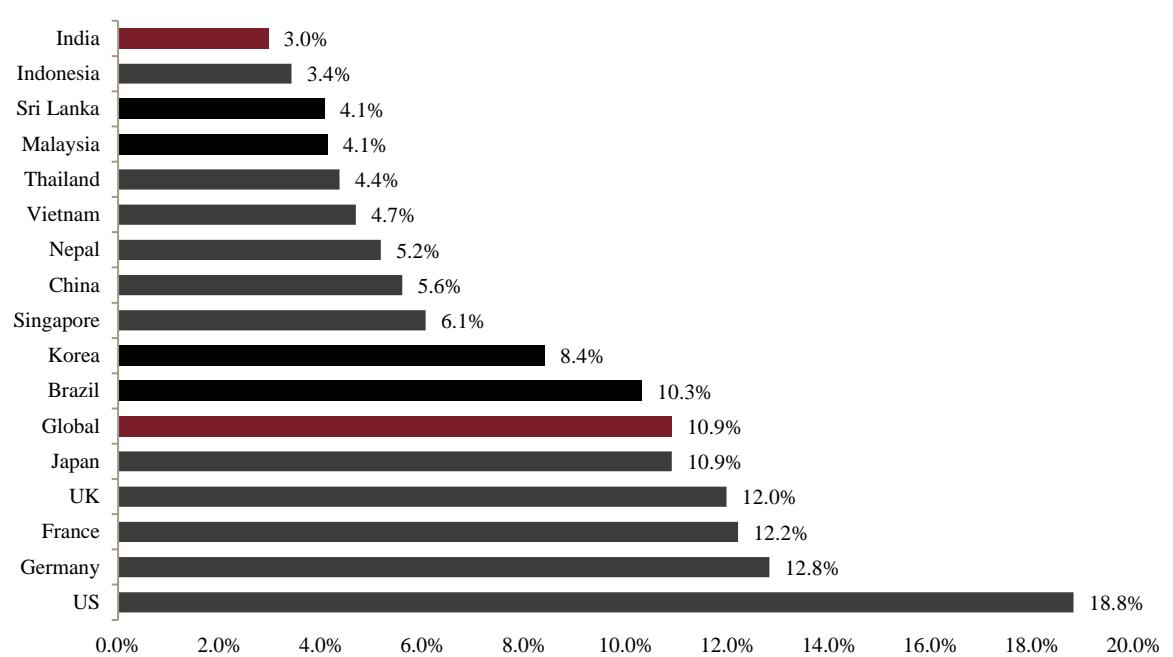
Global healthcare spending has been rising in sync with economic growth. As the economy grows, public and private spending on health grows, too. Further, an increase in sedentary work has heightened the risk of chronic diseases, which is also raising healthcare spending. This is evident specifically in fast-growing economies. The US, the UK, France and Germany are the top four nations with the highest healthcare expenditure as a percentage of GDP.

As per Global Health Expenditure Database compiled by the World Health Organization (WHO), global expenditure on healthcare increased slightly over 2011-2020. Globally, healthcare expenditure as a percentage of GDP increased from 9.4% in 2011 to 10.9% in 2020 due to availability of better medical facilities, advancements in medicine, and an increase in disposable income.

India's public spending on healthcare services is much lower than that of its global peers. In 2020, India's expenditure on healthcare was 3% of GDP; it trails not just developed countries such as the US and the UK and Singapore, but also developing countries such as Brazil, Nepal, Sri Lanka, Malaysia and Thailand. India's per capita healthcare expenditure (at an international dollar rate, adjusted for purchasing power parity) was only \$57 in 2020, versus \$11,702 for the US, \$5,619 for Canada, \$3,031 for Korea, \$4,927 for the UK and \$3,537 for Singapore.

## India lags peers in healthcare expenditure

### Healthcare expenditure as % of GDP (2020)



Source: Global Health Expenditure Database – WHO, CRISIL MI&A Research

### Per capita current expenditure on healthcare in \$ (2020)

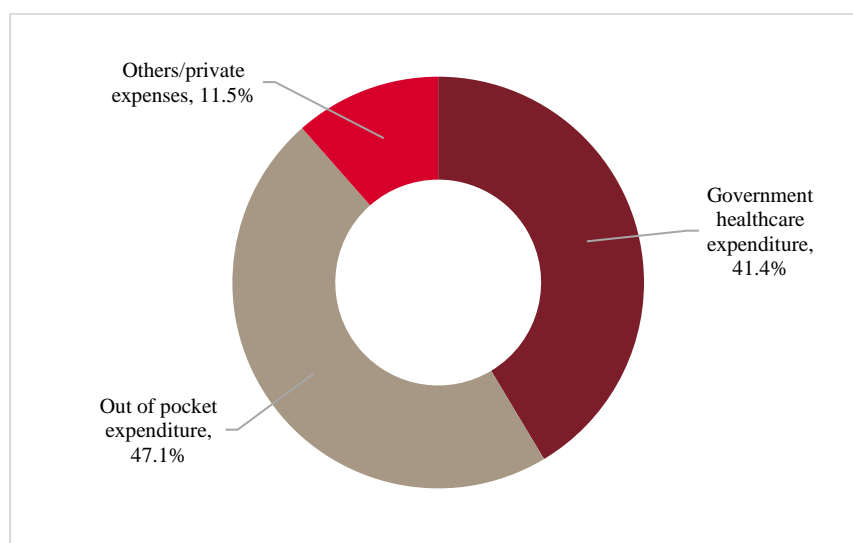
<b>India</b>	<b>57</b>
China	583
Brazil	701
Global	1,535
Korea	3,031
Singapore	3,537
UK	4,927
Japan	4,388
France	4,769
Australia	5,901
Germany	5,930
Canada	5,619
US	11,702

Source: Global Health Expenditure Database – WHO, CRISIL MI&A Research

In terms of government expenditure as a percentage of GDP, India spends approximately 2.2% on healthcare. This includes expenditure on healthcare by central and state governments. In the national health policy document, 2017, it was recommended that the government’s healthcare expenditure be increased to 2.5% of GDP by 2025. Also, the Fifteenth Finance Commission, in its report, had recommended that public health expenditure of union and states together be increased in a progressive manner to reach 2.5% of GDP by 2025. In keeping with this objective, the central and state governments’ budgeted expenditure on the healthcare sector reached 2.1% of GDP last fiscal and 2.2% in fiscal 2022, against 1.6% in fiscal 2021.



## Composition of India's healthcare expenditure (fiscal 2020)



Source: Global Health Expenditure Database – WHO, National Health Accounts (NHA) 2019-20, CRISIL MI&A Research

### Pharmaceutical expenditure constitutes ~35% of healthcare spending in India

Pharmaceutical care is constantly evolving, with many novel drugs entering the market. These offer alternative treatments and, in some cases, the prospect of treating conditions previously considered incurable. However, the cost of new drugs can be very high, with significant implications for healthcare budgets. In 2019, retail pharmaceuticals accounted for almost one-fifth of all healthcare expenditure and represented the third-largest spending component in Organisation for Economic Co-operation and Development (OECD) countries, behind inpatient and outpatient care. Most spending on retail pharmaceuticals is for prescription medicines (79%), with the remainder spent on over-the-counter (OTC) medicines (21%).

### Pharmaceutical spending in key countries

Country	CHE as % of GDP (2020)	Pharmaceutical spending as % of CHE (2020)
US	18.8%	11.0%
Canada	11.0%	14.2%
UK	12.0%	10.6%
Germany	12.8%	13.6%
Spain	10.7%	15.1%
Italy	9.6%	17.6%
France	12.2%	13.6%
Brazil	10.3%	18.2%^
Australia	10.6%	11.9%
Mexico	6.2%	21.5%
Korea	8.4%	20.1%
India*	3.0%	35.1%

Note: 1) CHE: Current healthcare expenditure; 2) \*pharmaceutical spending as % of CHE is as per NHA estimates 2023; 3) pharmaceutical spending as % of health spending is as per OECD data; 4) ^data as of 2019

Source: Global Health Expenditure Database – WHO, World Bank database, OECD, CRISIL MI&A Research

### Healthcare expenditure accounts for 4.8% of private consumption spending

Personal healthcare expenditure increased from ₹1,813 billion in fiscal 2012 to ₹4,135 billion in fiscal 2022, supported by an increase in government schemes, health spending by states, an increase in income levels, and a rise in disease incidence. Healthcare expenditure in terms of current prices logged an 8.6% CAGR between fiscals

2012 and 2022, considering the rise in prices of health products and services. Health expenditure as a percentage of total PFCE jumped to 4.8% in fiscal 2022, as healthcare spending rose because of the pandemic.

### Healthcare spending in PFCE

	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	CAGR FY12-22
<b>Health PFCE (₹ billion, at constant 2021 prices)</b>	1,813	1,987	2,167	2,484	2,735	3,085	3,218	3,481	3,750	3,708	4,135	8.6%
<b>Share in total PFCE (%)</b>	3.7%	3.8%	3.9%	4.2%	4.3%	4.4%	4.4%	4.4%	4.5%	4.7%	4.8%	

Source: National Accounts Statistics 2022, CRISIL MI&A Research

### Impact of Union Budget 2023-24 on healthcare and well-being: Positive

#### Key budget proposals

#### Healthcare and well-being expenditure for fiscal 2023-24

Ministry/ department	FY22 actuals (₹ billion)	FY23 RE (₹ billion)	FY24 BE (₹ billion)
Healthcare	844.7	791.4	891.5
Department of Health and Family Welfare	817.8	763.7	861.7
Department of Health Research	26.9	27.7	29.8
Wellbeing	686.1	628.7	808.6
Ministry of Ayush	23.6	28.4	36.4
Department of Drinking Water and Sanitation	662.5	600.3	772.2
Overall (health and wellbeing)	1530.8	1420.1	1700.1

Note: 1) BE: Budget Estimate; 2) RE: Revised Estimate

Source: Budget document, CRISIL MI&A Research

#### Key proposals

- An estimated ₹892 billion has been allocated to the Ministry of Health and Family Welfare for this fiscal, with increase of 13% year on year.
- A new programme to promote research and innovation in pharmaceuticals will be taken up through centres of excellence by encouraging the industry to invest in R&D in specific priority areas, such as medical devices and health technologies.
- As many as 157 new nursing colleges will be established.

### Assessment of the pharmaceutical and healthcare products distribution industry in India

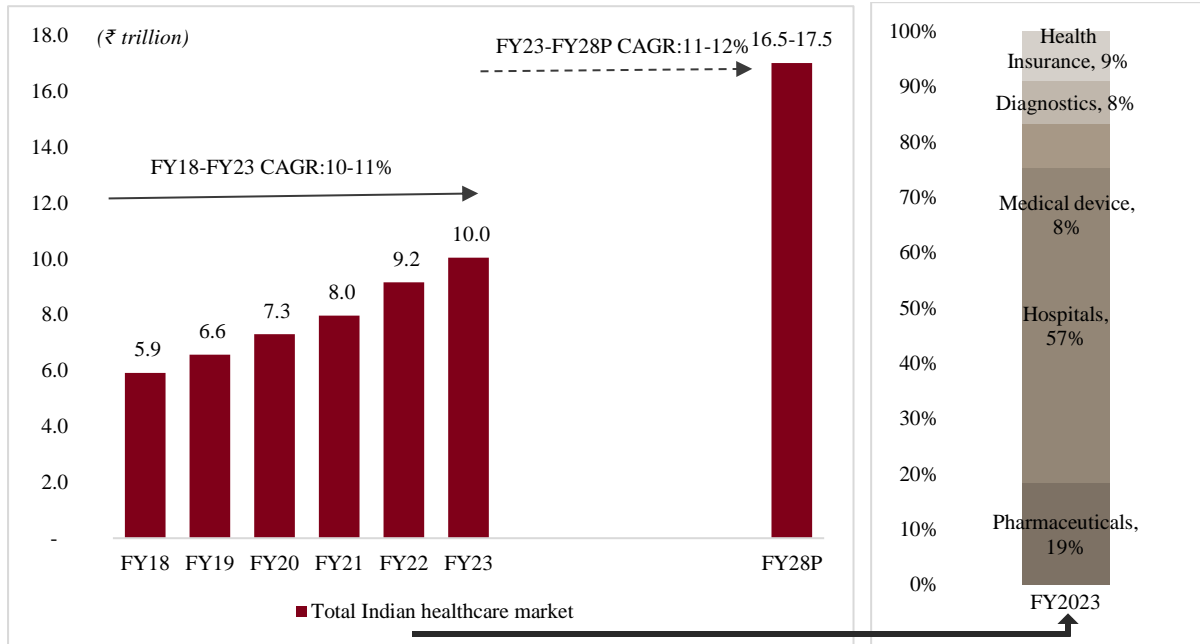
#### Introduction to the healthcare industry in India

India's fast-growing healthcare industry has become one of the leading contributors to the economy. A confluence of economic and demographic factors is driving healthcare demand in the country. Factors such as an ageing population, a growing middle class, an increasing number of lifestyle diseases, and adoption of technology are the key drivers of the healthcare industry in India. The domestic healthcare industry comprises the following segments: healthcare delivery (hospital), pharmaceuticals, health insurance, medical devices, diagnostic services, medical equipment, and other support services to healthcare players. The overall healthcare market is the ecosystem of all the mentioned sub-segments wherein the service provider interacts with the end-consumer through connected means.

**Indian healthcare market to clock 11-12% CAGR between fiscals 2023 and 2028 on strong healthcare services penetration and favourable macroeconomic factors**

The Indian healthcare industry, consisting of the pharmaceuticals, hospitals, medical devices, diagnostics and health insurance segments, grew exponentially, logging a 10-11% CAGR, between fiscals 2018 and 2023. Last fiscal, the industry was valued at ~₹10.0 trillion. With an ageing population, an increased incidence of lifestyle diseases, greater healthcare awareness, technology adoption, and a growing affluent middle class serving as some of the key drivers, the market is expected to clock an 11-12% CAGR between fiscals 2023 and 2028, reaching ₹16.5-17.5 trillion in fiscal 2028.

**Indian healthcare market**



Note:

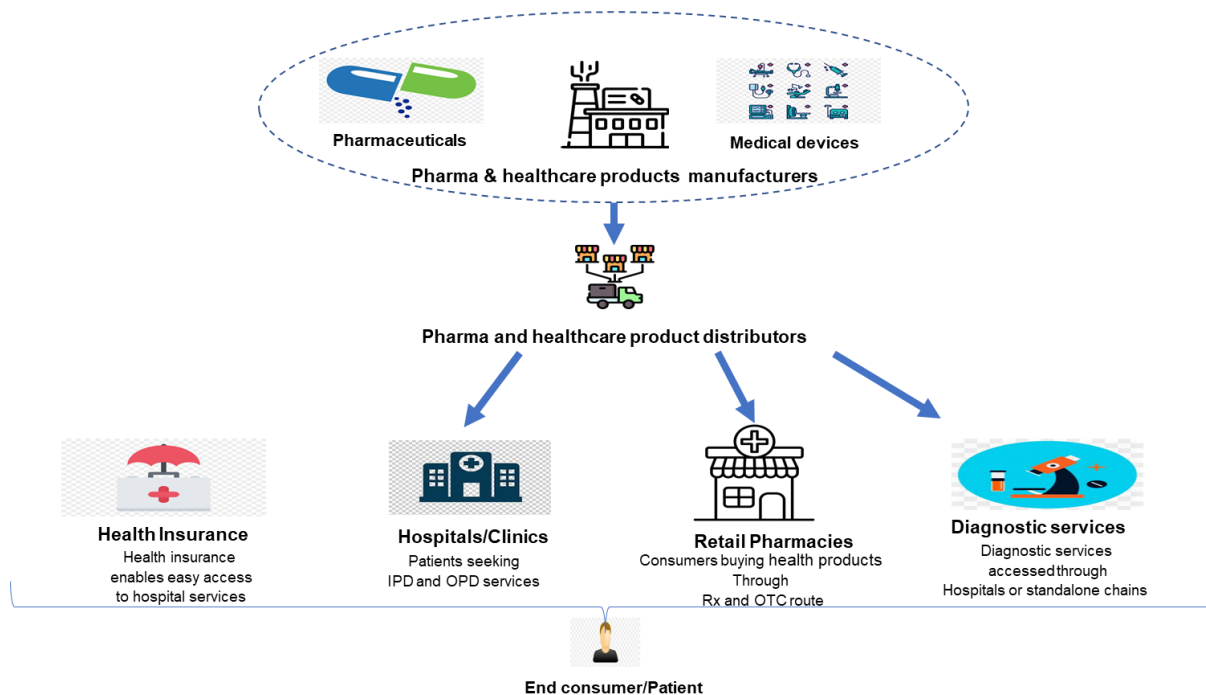
1) The hospitals segment encompasses the overall healthcare delivery system in India, which includes clinic/ physician consultations; the medical devices segment includes medical devices and equipment, medical consumables, reagents, and implants

2) P - Projected

Source: Industry, CRISIL MI&A Research

The industry has significant potential for further expansion, as a considerable portion of India’s healthcare services remain underpenetrated. Government initiatives such as increased expenditure, Pradhan Mantri Jan Arogya Yojana (PMJAY), National Digital Health Mission, and Production Linked Incentive (PLI) scheme for pharmaceuticals are expected to support growth of the domestic healthcare industry.

## Healthcare ecosystem in India



Source: CRISIL MI&A Research

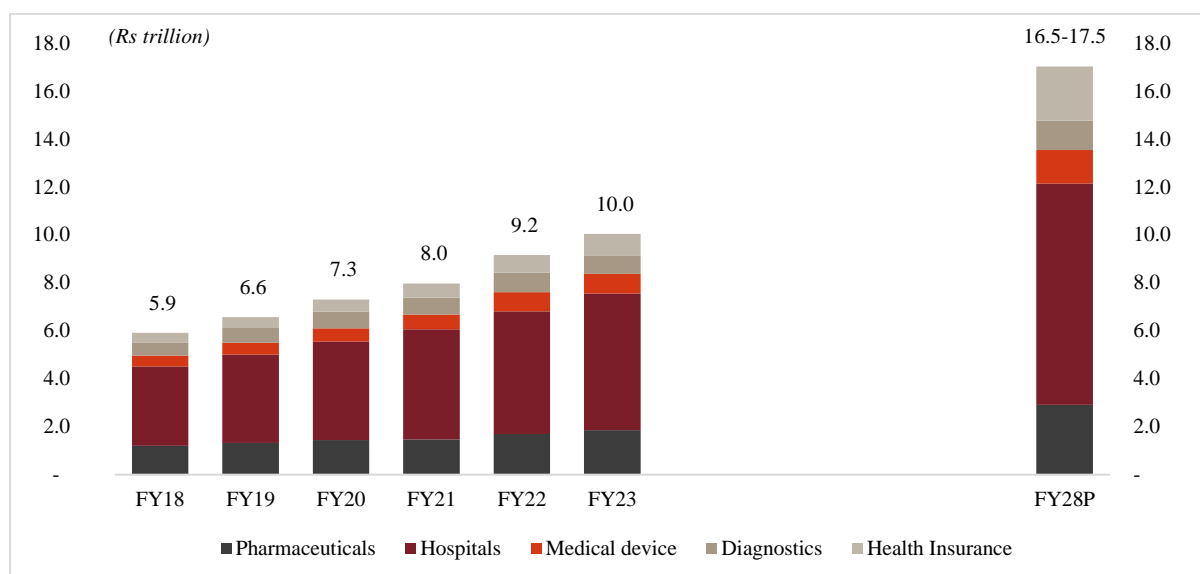
The healthcare ecosystem in India is a combination of services provided by the healthcare delivery system, diagnostic centres, pharmaceutical supply chain, health insurance providers, medical consumables, medical device and equipment suppliers. Pharmaceutical/ healthcare product distributors are the link between healthcare product manufacturers and healthcare delivery touchpoints such as hospitals, pharmacies, and diagnostic services. End-consumers or patients can access these services through different means.

Hospitals/ clinics are accessed directly by end-consumers; health insurance makes access to hospitals easier. Patients usually seek inpatient department (IPD) and outpatient department (OPD) services in hospitals.

Diagnostic services, medical devices and pharmaceutical products are accessed by end-users through different means. For diagnostic services, patients can walk into diagnostic centres or can be referred by hospitals/ clinics to in-house diagnostic centres in hospitals or independent diagnostic centres. Medical equipment is usually employed by hospitals and diagnostic centres according to operational needs. Medical devices and consumables are largely used in hospitals and diagnostic centres, while some medical devices and consumables such as BP monitors, thermometers and bandages are also sold through the OTC route by retail pharmacies.

Pharmaceutical products are available at local pharmacies with prescription or OTC. For IPD patients, hospitals generally have their own pharmacy, through which products are dispensed directly to these patients. OPD patients can use external pharmacies for buying pharmaceutical products.

## Penetration of health services in the country to support growth of healthcare value chain



Note: P - Projected

Source: CRISIL MI&A Research

Sectors	FY23 market sizing (₹ trillion)	CAGR FY18-FY23	CAGR FY23-FY28P
Pharmaceuticals	1.9	9%	9-10%
Hospitals	5.7	12%	11-12%
Medical devices	0.8	13%	11-12%
Diagnostics	0.8	7%	9-10%
Health insurance	0.9	17%	19-20%
<b>Total healthcare</b>	<b>10.0</b>	<b>11%</b>	<b>11-12%</b>

Note: The market sizing for the pharmaceuticals segment refers to the domestic formulations market throughout the report, unless mentioned otherwise

Note: P - Projected

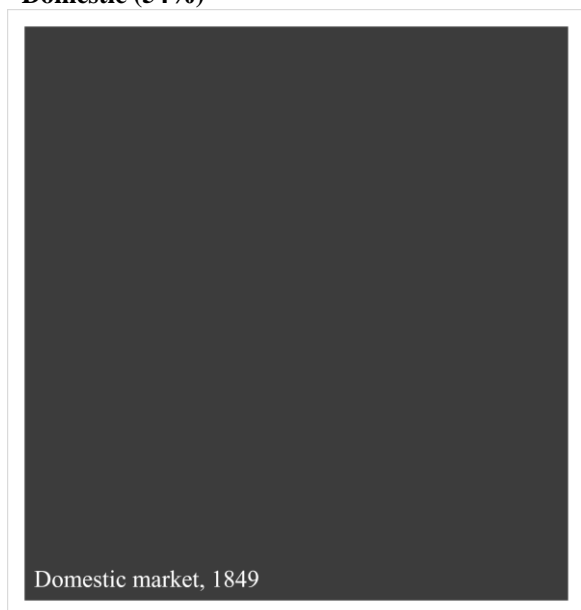
Source: CRISIL MI&A Research

### India is a global hub for pharmaceutical manufacturing

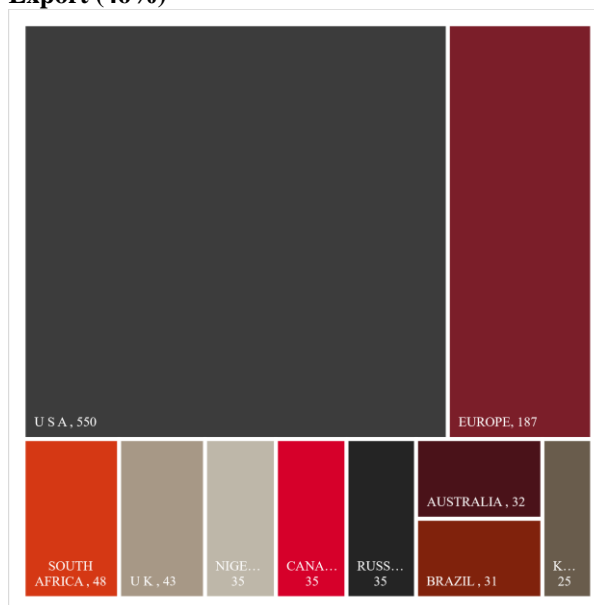
The Indian pharmaceutical industry is the world's third largest by volume and was valued at ₹3.6-3.8 trillion (including bulk drugs and formulation exports) as of fiscal 2023. The industry can be broadly classified into formulations and bulk drugs. Formulations can further be divided into domestic formulations and export formulations, both having almost an equal share in the market. At present, low-value generic drugs constitute a large part of Indian exports. India accounts for ~3.5% of total drugs and medicines exported globally, and exports pharmaceuticals to more than 200 countries and territories, including highly regulated markets such as the US, the UK, the European Union and Canada. India has a complete ecosystem for the development and manufacturing of pharmaceuticals, with companies having state-of-the-art facilities and skilled/ technical manpower. Moreover, the country has several renowned pharmaceutical educational and research institutes and a robust ecosystem of allied industries.

## Indian pharmaceutical industry (fiscal 2023) (₹ billion)

### Domestic (54%)



### Export (46%)



Source: DGFT, CRISIL MI&A Research

## Key drivers for Indian pharmaceutical market

Key driver	Description
Changing demographics	The country's demographic makeup is changing with improving life expectancy. As of 2020, ~20% of the country's population was aged 50 years or more; by 2030, their share is expected to surge to 30%, with India's total population expected to reach ~1.5 billion by then. This serves as a significant opportunity to expand into a space that bears considerable potential.
Rising income levels and health awareness	India's per capita income grew at a 4.1% CAGR, from ₹63,462 in fiscal 2012 to ₹98,374 in fiscal 2023. With rising income levels and health awareness, people are seeking better and quality healthcare services, including medicines, and hospital and pharmacy services.
Higher incidence of chronic diseases	The incidence of chronic disease (largely non-communicable diseases) has increased in India in recent years. Their contribution to the overall disease profile rose from 30% in 1990 to 55% in 2016. These illnesses accounted for nearly 66% of all deaths in India in 2019. Moreover, India is home to 101 million adults diagnosed with diabetes, a chronic disease. Consequently, the number of people seeking treatment for these diseases has also increased. Medicine sales for chronic diseases are growing at a rapid rate, primarily due to growth in the urban population / sedentary lifestyle, better healthcare awareness, and greater penetration of services.
Improved health insurance penetration	Low health insurance penetration is a major impediment to growth of the healthcare delivery industry in India. Affordability of quality healthcare facilities with regard to lower-income groups remains an issue. As per the Insurance Regulatory and Development Authority of India, the number of people with health insurance coverage in India grew to ~520 million as of fiscal 2022 from 288 million in fiscal 2015. Despite this, health insurance penetration in fiscal 2022 stood at a moderate 38%.
Government initiatives	<b>PMJAY:</b> The scheme can be a huge positive for the pharmaceutical industry in the long run since it will accelerate healthcare coverage and insurance service in the country. Ayushman Bharat aims to upgrade 0.15 million primary healthcare centres to provide diagnostic services and free medicines for preventive care. <b>Jan Aushadhi Yojana:</b> Since branded drugs account for much of the market share, the government has undertaken steps to increase the uptake of unbranded generics. It introduced Jan Aushadhi Yojana in November 2008 to sell low-cost and unbranded but quality medicines to all citizens via stores called Jan Aushadhi Kendras. While the scheme saw only ~100 stores till March 2014 since its inception, it received a push post 2014, with ~9,340 stores operational as of April 2023, as per the latest Department of Pharmaceuticals publication.

## Pharmaceutical supply chain

The pharmaceutical supply chain facilitates the distribution of pharmaceutical drugs, consumables and medical devices through a network of distributors, retail pharmacies, hospital pharmacies, and e-pharmacies.

The pharmaceutical supply chain has evolved over the years, with the entry of larger players in both the distribution and retail space. The Indian pharmaceutical supply chain was earlier characterised by a large number of local/standalone players across the value chain, but with consolidation in both the distribution and retail space, the pharma supply chain is gradually shifting towards large/national players.

Large/national pharmaceutical distributors have a multi-state/regional presence and operations in more than 3-4 states across the country. Similarly, large/national retailers have established brand/retail chains of retail-pharmacies in more than 3-4 states in India.

Also, players in the pharma supply chain traditionally limited themselves to providing specific products. This has changed in recent years, with players providing personalised experiences and value-added services to patients and end-consumers.

Moreover, pharma supply chain operations were performed manually. However, this has changed in recent years with the adoption of technology to improve business operations by employing sophisticated tools for order tracking, inventory managements and demand supply analytics.

### Pharmaceutical supply chain overview

Player in value chain	Typical functions and role	No. of players	Typical Margin
<p>Pharmaceutical and healthcare products manufacturer</p>	Manufacturing units supplying the finished products, acts as a marketer for pharma products	Companies~3000 Man.units-10500	40-60%
C&F agents	Providing storage facilities to dispatched goods, provides sales record and tax details to government departments	~3,000-5,000	2-4%
Distributors	Key supply point for a particular geographical area. Key functions include distribution to retail and hospital pharmacies inventory management and order management	~65,000	8-15%
Retailers Hospitals Physicians	Provide last mile connectivity in the pharmaceutical supply chain who also serve as a face of the supply chain with the patients/customers.	~900,000	Pharmacy:20-25% Hospitals:35-40%

Source: Industry, CRISIL MI&A Research

**Pharmaceutical and healthcare products manufacturers/marketers:** They serve as the first point of supply in the pharmaceutical distribution market. Companies manufacture finished products at their manufacturing facilities. These facilities are usually clustered in pharmaceutical manufacturing hubs, which provide certain financial benefits to manufacturers.

**Carry forward (C&F) agents:** Finished product consignments from pharmaceutical manufacturers first arrive at C&F agents, which provide storage facilities, execute the supply order and maintain receivables from distributors. They also provide sales records and market information to the company, and sales tax details to government departments.

**Distributors:** Distributors are generally given the responsibility of a large geographical region (one or few states/cities, depending on size), with the core function of supplying pharmaceutical/healthcare products to the retail pharmacies and hospital customers. Distributors are the key link in the pharmaceutical supply chain since they aggregate the requirements of multiple pharmacies and then segregate the demand company-wise. They also undertake replenishment, thus optimising the inventory and fulfilment rate in the value chain. Therefore, the distributor's relationship with retailers, inventory management, range of products, geographical coverage, among other areas, becomes very critical. It plays a role in the distributor's operations and helps strengthen the distributor's position in healthcare product manufacturer books. In an emerging trend, healthcare product manufacturers are tying up with some large/national distributors for reaching out to retailers and running marketing and promotional campaigns, etc.

*Retailers/hospitals/physicians:* Retailers provide last-mile connectivity in the pharmaceutical supply chain and serve as the face of the supply chain for patients/customers. The retailer’s core function is to dispense the medicine to the patients as prescribed by the doctor. Apart from pharmacy retailers, hospitals and physicians also dispense medicines to patients and thus play a critical role in providing pharma/healthcare products to the end consumers/patients.

***Typical pharma supply chain has manufacturers/marketers, C&F agents, distributors and retailers***

The domestic pharmaceutical supply chain typically involves C&F agents appointed by a company (pharmaceutical and healthcare products manufacturer/marketer). They are responsible for handling the warehousing and transportation of drugs sourced from several of the manufacturer’s production sites. These agents then supply drugs to distributors who place orders with these stations as per their requirements. Distributors constitute an important link between the pharmaceutical and healthcare products manufacturer and end consumers, considering they supply these products to retail pharmacies, hospitals and physicians.

However, there can be variations in these basic pharmaceutical supply chains since distributors can supply to retail pharmacies through sub-distributors. Sometimes, an exclusive distributor may be appointed by pharmaceutical and healthcare product companies to cater to a specific type of client, for example, hospitals and institutions.

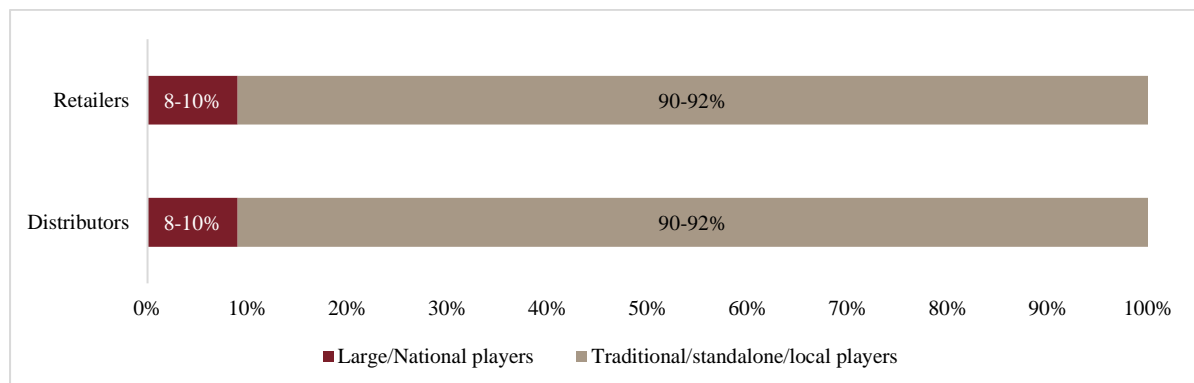
On the demand side, retail pharmacies, hospitals and physicians are the main channels through which distribution to end consumers takes place. Retail pharmacies account for a majority of the demand, with an 80-85% share (large/national retailers: 5-10%, traditional/local retailers: 70-75%), followed by hospitals (12-15%) and physicians (remaining 3-5%).

The role of intermediaries and associated mark-ups is a critical factors in the pharmaceutical supply chain. The mark-up (or trade margin) is computed as the difference between the retail price of a medicine and cost price of the manufacturer. On average, the margin for a pharmaceutical manufacturer ranges between 40% and 60%, depending on the product and type of customer. C&F stations, which are company-appointed, retain margins of 2-4%. In the case of distributors, the margin comes is 8-15%, while for retailers it is 20-25%. For medical consumables and devices, the channel margin (Inclusive of distributors and retailers) ranges 1.5-2.0 times the channel margin in the pharmaceutical products. The higher channel margin in the medical devices and consumables can be function of the lesser influence of physicians and doctors on the product prescription compared with pharmaceutical products, which gives supply chain players more leverage and, thus, better channel margins.

***The pharmaceutical supply chain in India is highly fragmented***

The Indian pharmaceutical distribution space has ~65,000 distributors and more than 900,000 retailers. The supply chain is still dominated by traditional small players in the distribution and retail segments. However, the pharmaceutical distribution industry is consolidating, with larger players acquiring smaller traditional local distributors to increase market reach and achieve better operational performance. The share of large/national distributors in India is 8-10%; the remaining is accounted for by traditional local distributors. The retail segment is also dominated by local and standalone pharmacies. With the entry of large retail chains and e-pharmacies, this retail channel is also poised for consolidation.

**Share of large/national and local players across the pharmaceutical value chain**



Source: Industry, CRISIL MI&A Research



## Key challenges and opportunities in the pharmaceutical supply chain

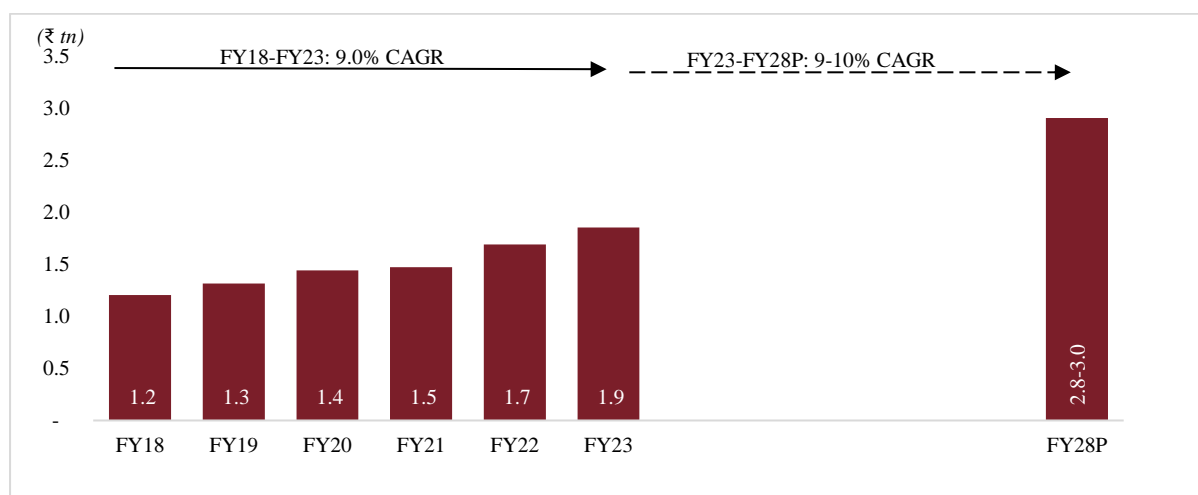
Pharmaceutical and healthcare products manufacturer/marketer	Distributors	Retailers
<b>Challenges</b>		
<p>Complexity of dealing with multiple sub-scale distributors leads to high administrative cost and bandwidth consumption of MRs</p> <p>Limited or no secondary sales data visibility and analytics</p> <p>No direct reach to retailers, leading to poor implementation of secondary promotional offers</p> <p>Quality issues due to inadequate storage infrastructure from distributors</p> <p>High expiries due to multiple stock points and no data visibility</p>	<p>Highly fragmented and competitive market – discounting and credit period are some of the only growth levers for traditional/local distributors</p> <p>Limited scale and inefficiency of operations impacting profitability</p> <p>Limited access to capital, technology, and management bandwidth inhibiting growth</p>	<p>Complexity of dealing with high number of distributors to ensure their fill rates</p> <p>Manual ordering and inventory management due to minimal technological intervention</p> <p>Lack of transparency in promotional offers/benefits from healthcare product manufacturers</p> <p>Lower fill rate as a result of space and storage limitations</p>
<b>Opportunities</b>		
<p>Strategic partnerships with Large /National distributors to improve Product availability, customer reach and data analytics for improved decision making</p>	<p>Adjacencies available in other healthcare products such as medical devices and consumables</p> <p>Tie-ups with healthcare product manufacturer/ marketer to provide value-added services such as marketing, promotion, data analytics, etc., thus increasing wallet share</p>	<p>Expand product range to provide high fill rate for the end consumers</p> <p>Usage of technology for better inventory management and engaging with end consumers</p>

### *Indian pharma market to log a healthy 9-10% CAGR between fiscals 2023 and 2028*

The distribution network plays a critical role in making pharmaceutical products available to end consumers. The drug supply chain involves several stakeholders, from manufacturers who produce pharmaceutical and healthcare products to intermediaries at the wholesale and retail levels. In India, ~3,000 pharmaceutical companies manufacture products in over 10,500 industrial units and supply through 65,000 distributors, with a strong penetration of ~900,000 private retail chemists. Given the country's size in terms of geography and population, as well as a fragmented and vast private health sector, the task of the pharmaceutical supply chain is critical in serving end users.

Pharmaceutical distribution is a key aspect in the pharmaceutical supply chain. The Indian pharmaceutical market is the value of formulation sales sold through distributors to retailers. The distribution market, which is dominated by traditional local distributors, is fragmented. With the overall Indian healthcare market growing, the pharmaceutical market has also expanded at a healthy 9% CAGR from fiscal 2018 to reach ₹1.9 trillion in fiscal 2023. It is poised to grow at 9-10% CAGR between fiscal 2023 and fiscal 2028, aided by strong demand as a result of rising incidence of chronic diseases, increased awareness and access to quality healthcare.

## Indian pharmaceutical market review and outlook



Notes: P: Projected

Source: AIOCD AWACS, CRISIL MI&A Research

Typically, pharmaceutical distributors in India cater to the distribution of pharmaceutical products along with other healthcare products such as medical devices and consumables. Thus, market catered by pharmaceutical distributors consisting of pharmaceutical products and medical devices form the target addressable market for pharmaceutical distributors in India is valued at ₹2.7 trillion (USD 33.4 billion) in fiscal 2023 and is expected to grow at 10-11% CAGR from fiscal 2023 to fiscal 2028.

Target addressable market	FY23 market sizing (₹ trillion)	FY23 market sizing (USD billion)	CAGR FY23-FY28P
Pharmaceuticals + medical devices (including hospital supply of medical devices and consumables)	2.7	33.4	10-11%

Notes: P: projected

Source: AIOCD AWACS, CRISIL MI&A Research

## Importance of pharmaceutical distribution



The supply chain function for distributors includes distribution tasks that range from timely supply of pharmaceutical and healthcare product to retailers and consignee agent for pharmaceutical companies, to setting up and maintaining warehousing and cold chain management facilities, transportation, debtor management, and reverse logistics. Pharmaceutical products and devices, including life-saving medicines, require special storage, transportation and handling to ensure product quality. Hence, it is critical to provide good cold chain and warehouse infrastructure throughout the supply chain, especially at the distributor level. Due to the current fragmented nature of the supply chain in India, scaled-up, compliant and efficient warehousing and logistics remains a challenge. Distributors are the key link in the pharmaceutical supply chain since they aggregate the requirements of multiple pharmacies and then do the replenishment, thus optimising the inventory and fulfilment rate in the value chain.

### *Distributors a key intermediary between manufacturers/marketers and retailers*

The domestic pharmaceutical supply chain typically involves a company (pharmaceutical and healthcare products manufacturer)-appointed C&F agents, responsible for handling warehousing and transportation of drugs sourced from various manufacturing sites. C&F agents then supply the drugs to distributors, which place orders with C&F









stations, according to their requirements. Distributors are an important link between pharmaceutical and healthcare products manufacturers and end consumers since they aggregate the requirement of these products from retail pharmacies, hospitals and physicians. They then replenish the products, thus optimising the inventory and fulfilment rate in the value chain.

**India has lower penetration of large/national distributors compared with developed markets, thus presenting growth potential for large/national distributors**

When compared with other global developed pharmaceutical markets, India’s market is highly fragmented. The distribution of pharmaceutical products in India is extremely fragmented, with ~65,000 distributors as of March 31, 2023. These generally only service limited local areas, unlike developed markets where large nationwide distributors occupy a dominant market position. As a result, in India, healthcare brands and product manufacturers need to work with a large number of small wholesalers and distributors to make products available to end consumers.

In these developed markets, established pharmaceutical distributors have focused on consolidation. They account for an over 90-95% market share of the overall pharmaceutical distribution market in the US and ~95-97% in Germany. The penetration of large/national distributors in the Indian market is lower compared with these developed markets, presenting an opportunity for large/national players to consolidate in the market and tap the growth potential from consolidation.

**Share of large/national distributors low in India, compared with major pharma markets**

	US	China	India	Germany
Share of large players in the pharma distribution	90-95% 	40-45% 	8-10% 	95-97% 
	Top 3	Top 4	All	Top 5
Key players	AmerisourceBergen, Cardinal Health and McKesson	Sinopharm, Shanghai Pharmaceuticals, China Resources Pharmaceutical and Jointown Pharmaceutical	Entero, Keimed, Ascent	Alliance-GEHE, Phoenix, Noweda, Sanacorp, Pharma Privat
Share of Top x in total pharma distribution in	<b>Top 3</b>	<b>Top 4</b>	<b>All</b>	<b>Top 5 / All</b>
2020	90-95%	40-45%	8-10%	95-97%
pre-2015	85-90% 	30-35% 	<3-5% 	90-95% 

Note: India numbers as of fiscal 2023  
Source: Industry sources, CRISIL MI&A

**Revenue of key global pharmaceutical distribution players (USD billion)**

Company name	Country	Financial year end	2019	2020	2021	2022
AmerisourceBergen Corporation	US	September	179.6	189.9	214.0	238.6
Cardinal Health	US	June	145.5	152.9	162.5	181.4
McKesson	US	March	214.3	231.1	238.2	264.0
Alliance Health	UK	August	5.0	5.4	6.1	NA
AAH Pharmaceuticals	UK	March	4.3	4.6	4.5	4.4
Sinopharma	China	March	61.6	66.1	80.7	82.0
Shanghai Pharmaceuticals	China	December	27.0	27.8	33.4	NA

Note: NA-Not available  
Source: Company filings, industry sources, CRISIL MI&A Research

**Large/national pharmaceutical distributors accounted for 8-10% share of the total distributor sales in fiscal 2023, going ahead expected to rise to 20-30% by fiscal 2028**

India’s pharmaceutical distribution market is highly fragmented and competitive with the presence of over 65,000 distributors. The Indian pharmaceutical distribution market remains very fragmented with traditional local distributors dominating the market with a market share of 90-92%, and large/national distributors, with 8-10%. The market catered by large/national distributors was valued at Rs.150-170 billion last fiscal.

As of 2021, around a fourth of the overall pharmaceutical distribution market was concentrated in tier-1 cities (Mumbai, Delhi, Hyderabad, Pune, Ahmedabad, Kolkata, Chennai and Bangalore), while the tier-2 cities and beyond markets remain relatively underpenetrated.

However, India is witnessing a shift from standalone/traditional distributors to large/national distributors having a wider presence, backed by market consolidation and the need for a reliable and scalable supply channel by pharmaceutical and healthcare product manufacturers, among other factors. Market consolidation in India’s pharmaceutical distribution market, is expected to be supported by factors such as the introduction of the Good and Services Tax regime and benefits presented by the consolidation of the segment, such as access to additional capital, better resource management, advantages of scale, procurement and operational efficiencies and management expertise, the establishment of a technology-driven country-wide distribution network, better infrastructure, quick turnaround times and high fill rates. Additionally, with the digitalisation of the pharmaceutical supply chain, mergers and acquisitions in the retail pharmaceutical space will support overall consolidation in the industry. The share of large/national distributors is expected to rise to 20-30% by fiscal 2028, growing at 25-30% CAGR, with stronger inorganic growth for the large/national players in the pharmaceutical distribution segment, as a result of consolidation.

**Growth of large/national distributors against that of industry**

Company name	Operating income/revenue		
	₹ million (FY2022)	Year on year growth	CAGR FY20-FY22
Akna Medical Pvt Ltd	8,548.53	470.20%	501.59%
Ascent Wellness and Pharma Solutions Pvt Ltd@	4,504.79**	282.45%	n.m.
Entero Healthcare solutions Ltd	25,220.65	41.71%	36.07%
Hiveloop Technology Pvt Ltd (Udaan)	6,088.98	33.84%	64.28%
Keimed Pvt Ltd	76,233.42	28.43%	13.44%
<b>Indian pharmaceutical market</b>	<b>1,696,052.27</b>	<b>15.0%</b>	<b>8.3%</b>

*n.m.-Not meaningful.*

*\*\*:-Consolidated financials for Ascent Wellness and Pharma Solutions Pvt Ltd are not available in the public domain, The ultimate holding company of AWPSPL which is API Holdings Ltd reported consolidated revenue of ₹57,288.21 million in fiscal 2022 and ₹67,051.19 million in fiscal 2023 with distribution to Chemist /Institution business of API holdings Ltd recording revenue of ₹28,217.17 million and ₹32,646.08 million in fiscal 2022 and fiscal 2023 respectively*

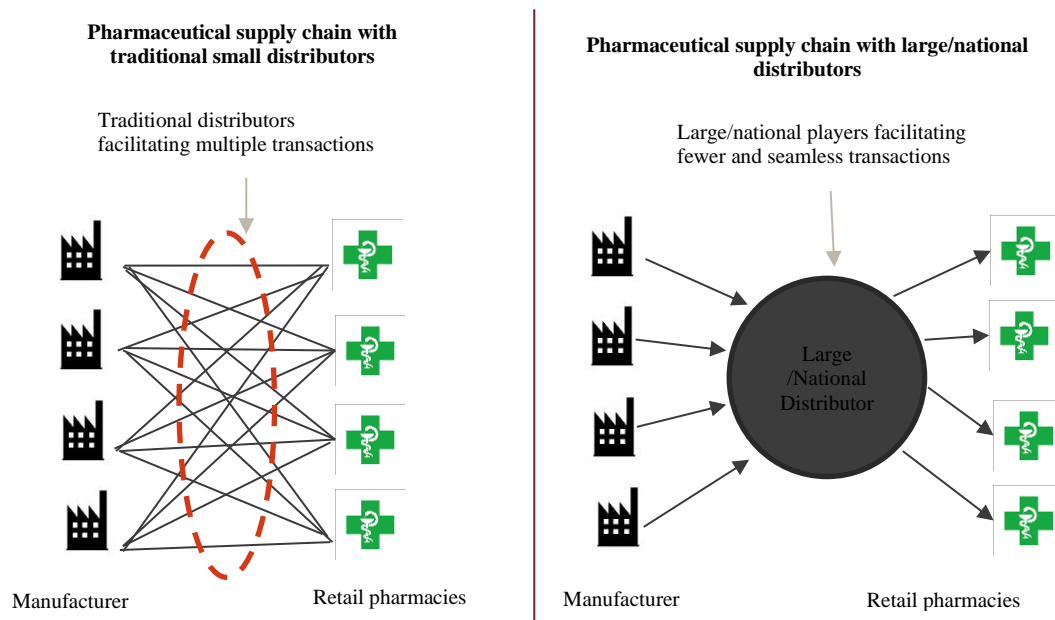
*Source: Company reports and websites, CRISIL MI&A Research*

**Benefits of large/national distributors to the pharmaceutical supply chain**

Supply chain partner	Value proposition/benefits
Pharmaceutical and healthcare product manufacturer/marketer	<ul style="list-style-type: none"> <li>• Will have to work with fewer distributors, leading to less complexity.</li> <li>• Access to retailer/hospital-level data insights for strategic decisions.</li> <li>• Better customer and geographical reach for engagement in a fragmented retail space through a large and tech-enabled channel partner.</li> <li>• Efficient inventory management, leading to lower prescription bounce rates and expiries.</li> <li>• Better secondary storage facilities for products.</li> </ul>
Retail pharmacies	<ul style="list-style-type: none"> <li>• Reduction of loss of sales due to high fill rates.</li> <li>• Efficient inventory management due to lower turnaround times and reliability of deliveries.</li> <li>• Reduced complexity due to efficient supply chain.</li> </ul>

Supply chain partner	Value proposition/benefits
	<ul style="list-style-type: none"> <li>Exposure to digital ordering system experience.</li> <li>Transparency in promotions and offers given by manufacturers.</li> </ul>

### Large/national distributors simplify pharmaceutical supply chain



### Operational advantages of large/national distributors over traditional local distributors

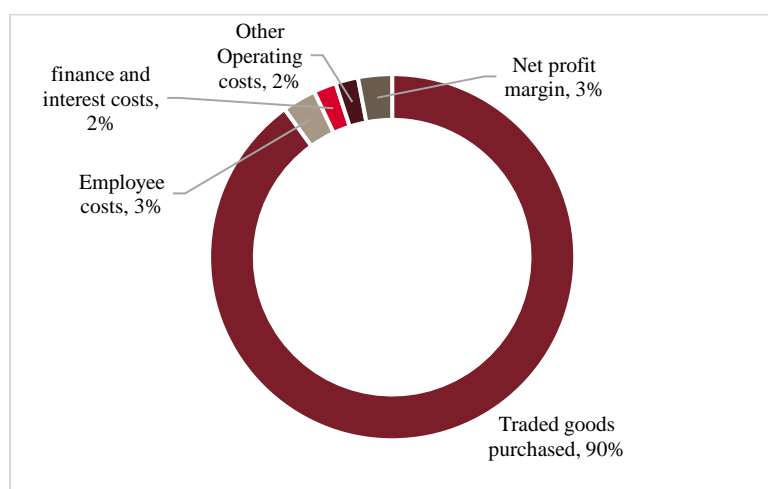
Parameter	Large/national distributor	Traditional local distributor
Number of retailers reached	60,000-70,000	100-500
Number of pharma companies catered	200-300	30-50
Number of SKUs	40,000-50,000	3,000-5,000
Inventory Days	~30 Days	~35-40 Days
Fill rate	90-95%	60-80%
Cold chain facility	Yes, Sophisticated cold chain facility	Limited cold chain facility
Technology use	Advanced ERP, CRM and analytics tools	Basic ERP tools

Source: CRISIL MI&A Research

### Higher volume sales, technology intervention and process-led efficiencies could help large distribution players attract better margins

Large/national distributors have higher volume sales, operational efficiencies, adjacent products and technology intervention, which could help attract better margins. Compared with traditional local distributors, large distributors may attract better gross and net margins, given their better ability to negotiate with suppliers, i.e., pharmaceutical and healthcare product manufacturers. Traded goods purchased constitute the major cost, of ~90%, for pharmacy distributors. Employee costs are 2-3% for the total sales, and power and other operational costs account for another 1-2%. The net profit margin for pharmacy distributors is 2-3%.

## Typical cost structure of pharmacy distribution chains



Note: Percentage values are calculated on total sales (gross sales)

Source: Industry, CRISIL MI&A Research

### ***Pharmaceutical distributors have adjacency potential in medical devices, consumables and other products***

Pharmaceutical distributors in India are primarily into distributing pharmaceutical products to retailers and hospitals. With the evolution of the retail pharmacy landscape, players are stocking a higher number of stock keeping units (SKUs) of products such as medical devices, consumables and other healthcare products. The Indian pharmaceutical market is characterised by the sale of over-the-counter (OTC) products, including medical devices and consumables, many of which, are sold through this route, spurring demand in the segment in recent years. Apart from this, rising awareness for healthcare products has also helped other healthcare product sales.

Distributors are expected to tap into this adjacency by providing a distribution network for medical devices and consumable products as the supply chain and stakeholders for these products are similar to those for pharmaceuticals. Pharmaceutical distributors can thus, cater to supply of medical devices and consumables to hospitals and retail pharmacies. Moreover, their know-how on local markets also makes partnering with them attractive for companies selling medical devices and consumables, giving them better retail and hospital customer reach.

### ***Large/national pharma distributors can be marketing and distribution partners for manufacturers/marketers***

Distributors constitute an important link between pharmaceutical and healthcare product companies, as well as retailers and end users. Often, pharmaceutical products are branded and promoted through sales representatives by pharmaceutical manufacturing companies across distribution channels. The Indian pharmaceutical market is dominated by the branded generics segment, which needs promotion and marketing through distribution channels in the pharmaceutical value chain. Distributors, which form a key link between suppliers and end consumers, can act as partners for marketing particular products for pharmaceutical and healthcare product companies.

In some cases, Indian and multinational pharmaceutical companies also tie-up with large distributors for end-to-end marketing activities, which may involve exclusive marketing and distribution for some brands. Large/national distributors have connects with doctors and the field force, which helps companies increase their products' reach. Moreover, these distributors have a strong presence in regional markets and have connects with retail pharmacies and hospital customers, which gives them the advantage of a wider reach. Pharmaceutical companies leverage this reach and enter partnerships with these distributors to push their products across different markets. These distributors, in return, get exclusive marketing and distribution rights for particular brands and thus, better control over the channel margin.

Pharmaceutical companies invest in marketing and promotional activities to strengthen their presence and increase product reach. They usually spend 4-5% of their revenue on marketing. As of fiscal 2023, the marketing spend for the Indian pharmaceutical industry was estimated at ₹80-90 billion.

## ***Key trends for the Indian pharmaceutical distribution market***

### Consolidation in the distribution industry

The Indian pharmacy distribution market is highly fragmented, with regional players. Currently, pharmaceutical and healthcare product manufacturers have considerable distributors across the value chain. Manufacturers, as well as retail pharmacies, may prefer lesser distributors for better supply chain operational efficiencies with reduced complexities. These operational efficiencies can be achieved through reduced logistics costs as a result of streamlined procurement and distribution, as provided by large/national distributors. The industry incurs 4-6% of revenue as logistics costs, and thus, with operational efficiencies in the pharmaceutical supply chain, these costs can be reduced.

The pharmacy distribution industry has companies that usually operate regionally and have a limited portfolio of products. In recent times, however, the industry has seen consolidation, with larger/national players acquiring smaller and local traditional distributors. This allows players to have a wider product portfolio, as well as greater geographical reach, in a particular market. Consolidation has also helped the supply chain from the perspective of suppliers (pharmaceutical and healthcare product manufacturers) and retail pharmacies. Large/national players also typically provide higher fill rates to retail pharmacies. Consolidation is expected to positively impact the overall pharmaceutical distribution supply chain, with faster and convenient order placement and increased operational efficiencies.

### Technological advances to support operational efficiencies in distribution

Over the past few years, technology has become an integral part of industries, ranging from automobiles to pharmaceuticals. Technological advancements, such as artificial intelligence and data analytics, are used in pharmaceutical distribution to enhance customer offerings, given that they help develop better insights that would help further in inventory management, improving fill rates, and generating efficient recommendations for end-user segments such as retailers, creating demand for the distribution segment. In addition, technology would aid faster deliveries, helping reduce logistical barriers and improve the operational efficiency further.

From end consumers' point of view, technology, especially Internet, is playing a critical role in determining how services are offered by businesses. From B2B businesses to retail customers, the usage of Internet in delivering product services is critical. India has witnessed a significant surge in Internet users over the past few years, with penetration as a percentage of the total population reaching ~64% in fiscal 2023 from less than 20% in fiscal 2015. CRISIL MI&A Research expects the total number of Internet subscribers to reach 1,000 million by fiscal 2026, resulting in ~75% Internet penetration. The use of Internet and allied technology in businesses will be a key success factor for companies.

### Omnichannel adoption to improve demand for pharmaceutical distribution

The term omnichannel refers to an engagement that integrates events and channels (offline and online models) through which customers buy medicines. In recent times, retail pharmacies have been adopting omnichannel strategies to expand their user base across regions. With the advent of technology in the space and increase in Internet penetration in the country, e-retailers have seen keener penetration. In addition to offline pharmacies, e-pharmacies are starting to penetrate the Indian pharmacy distribution market. This omni-channel presence would back demand for the distribution segment, as retail players try to expand their customer base through online and offline distribution channels.

### Higher demand for surgical and medical devices

Surgical and medical devices are sold through retail pharmacies, along with pharmaceutical products. These devices include syringes, needles, and diagnostic devices, and are also often pushed through the distributors' channels already used for pharmaceutical products. Increased health awareness and a changing attitude towards preventive healthcare have helped demand in the surgical and medical devices space. Growth in the segment can benefit pharmaceutical distributors, as surgical and medical devices are often pushed through these same pharmaceutical distribution channels to retail pharmacies and hospitals.

### Increasing government focus on generics to further support distributors

At 90-95%, branded generics (off-patent drugs sold on brand names) comprise a lion's share of the domestic pharmaceutical industry. To render the availability of quality healthcare affordable, the government has undertaken steps to increase the uptake of unbranded generics. It introduced the Jan Aushadhi Yojana in November 2008 to sell low-cost, unbranded, but quality medicines to all citizens via stores called Jan Aushadhi Kendras. Further penetration of generics would aid pharmacy distribution players by providing a shift in pricing power from brands, which will support growth of the pharmacy distribution segment in India.

### Micro-market and regional data opportunities

Micro-market and regional sales data in the pharmaceutical market is a key input for pharmaceutical companies. It helps pharmaceutical and healthcare product companies understand demand trends in the market. With this data, companies can identify key target areas, preferences, demand-supply dynamics, and product sales, among others.

Distributors often track and store demand-supply data for market or region they cater to in terms of micro-market trends, brand performance, company-level sales data and so on. Distributors who collect and compile this data can act as a key source for micro-market and region-specific data for large pharmaceutical and healthcare product companies. With the use of data analytics, companies can get market and procurement insights from distributors, and customise their offerings to engage more customers.

### ***Covid-19 impact on the pharmaceutical distribution industry in India***

Covid-19 disrupted supply chains across various industries in India. Pharmaceuticals, considered essential, was exempted from restrictions. However, a shortage of manpower and supply chain complexities impacted supply. The pharmaceutical supply chain especially, which is highly fragmented, was also impacted. Covid-19 brought a shift to large retail channels and e-pharmacies, given these were more convenient and supply chains for these players were more robust with the adoption of digital technologies. Smaller/local players in the pharmaceutical distribution space faced difficulties in servicing customers amid lockdowns and staff unavailability, among other difficulties, which large/national players could successfully navigate. Further, large/national players were better-placed to deal with the supply chain disruptions caused by the pandemic and acted on opportunities to sell products such as Remdesivir and Covid-19 vaccines on the back of their cold chain logistics and wide network.

### ***Government regulations and policies for pharmacy distribution in India***

#### Good distribution practices

Distribution is an essential activity in the integrated supply-chain management of pharmaceutical products. Various individuals and entities are generally responsible for the handling, storage, and distribution of such products. Thus, it is very important to have adequate control over the entire distribution chain. To maintain the original quality of pharmaceutical products, every party involved in the distribution chain has to comply with the applicable requirement. Each activity in the distribution of pharmaceutical products shall be carried out as per the principles of good distribution practices (GDP), as applicable, as per Central Drugs Standard Control Organisation (CDSCO) guidelines.

Key GDP guidelines pertaining to different parts in the distribution segment are as follows:

<b>Guideline</b>	<b>Description</b>
<b>General principles</b>	According to the Drugs & Cosmetics Act, 1940, and Drugs & Cosmetic Rules, 1945, Rules 64 and 65 specify the conditions to be fulfilled to sell, stock, exhibit or offer for sale or distribute drugs.
<b>Organisation and management</b>	An adequate organisational structure for each entity in the distribution chain shall be defined with the aid of an organizational chart. The responsibility, authority and inter-relationships of all personnel shall be clearly indicated. An organogram/ organisational chart shall be in place.
<b>Personnel</b>	All personnel involved in distribution activities shall be trained and qualified in the requirements of GDP, as applicable. Training shall be based on written standard operating procedures (SOPs). Personnel shall receive initial and continuing training relevant to their tasks, and be assessed, as applicable, in accordance with a written training programme.
<b>Quality system</b>	All pharmaceutical product distributors shall establish and maintain a quality system. There shall be a documented quality policy describing the overall intentions and requirements of distributors regarding quality, authorised by the management.



Guideline	Description
<b>Premises, warehousing, and storage</b>	Storage areas shall be maintained or designed to ensure GSP. Storage areas shall be suitably secured, structurally sound and of sufficient capacity to allow for safe storage and handling.
<b>Temperature, environment, and stock control</b>	Storage and handling conditions shall be in compliance with applicable national regulations. Storage conditions for pharmaceutical products shall be in compliance with the recommendations of the manufacturer. This is key to ensuring the quality of all pharmaceutical products. Facilities shall be available for the storage of all pharmaceutical products under appropriate conditions (for example, environmentally controlled when necessary).
<b>Transportation</b>	Pharmaceutical products shall be transported in accordance with the storage conditions indicated in the packaging information and on the label. The individuals responsible for the transportation of pharmaceutical products shall be informed about all relevant conditions for storage and transportation. These requirements shall be adhered to throughout transportation and during any intermediate storage stages.
<b>Shipment containers and labelling</b>	Pharmaceutical products shall be transported in shipment containers that have no adverse effect on the quality of the products, and that offer adequate protection from external influences, including contamination.
<b>Dispatch and receipt</b>	Pharmaceutical products shall be sold or distributed to persons or entities that are authorised to acquire such products in accordance with the applicable national, state, and international legislations. It is required to obtain written proof of such authority prior to the distribution of products to such persons or entities.
<b>Documentation</b>	Documentation comprises all written procedures, instructions, contracts, records, and data, in paper or in electronic form. Written instructions and records which document all activities relating to the distribution of pharmaceutical products, including all applicable receipts and issues (invoices) shall be available.
<b>Complaints</b>	Written procedure shall be in place for handling complaints. A distinction shall be made between complaints about a pharmaceutical product or its packaging and those relating to distribution. In the case of a complaint about the quality of a product or its packaging, the original manufacturer and/or marketing authorisation holder shall be informed as soon as possible.
<b>Recalls and returns</b>	There shall be a written procedure for the management to recall defective pharmaceutical products with a designated person responsible for recalls. The system of recall shall comply with the Drugs & Cosmetics Act and rules thereunder.
<b>Spurious pharmaceutical products</b>	Spurious pharmaceutical products, if found in the distribution chain, shall be completely segregated from other pharmaceutical products, clearly labelled as not for sale and the national regulatory authorities and manufacturer of the original product shall be informed immediately. The sale and distribution of a suspected spurious pharmaceutical product shall be suspended, and the national regulatory authority shall be notified without delay.
<b>Importation</b>	Consignments of pharmaceutical products shall be stored under suitable conditions for as short a time as possible, at the port of entry. Importers shall take all reasonable steps to ensure that pharmaceutical products are not mishandled or exposed to adverse storage conditions at wharves or airports.
<b>Contract activities</b>	The only parties appropriately authorised to distribute a pharmaceutical product shall be delegated to perform any activity relating to the distribution of such a product and in accordance with the terms of a written consent. The responsibilities of each party, including observance of the principles of GDP, and relevant warranty clauses shall be defined in the contract. It shall also include responsibilities of the contractor and measures (such as suitable training programmes) to be taken to prevent the entry of spurious pharmaceutical products into the distribution chain.
<b>Self-inspection</b>	Self-inspection shall be included in the quality system. Self-inspection will be done to monitor implementation and compliance with the principles of GDP and, if necessary, to trigger corrective and preventive measures. A designated, competent person shall conduct self-inspection in an independent and detailed manner.

### *Overview of retail pharmacy*

The retail pharmacy market in India mainly caters to pharmaceutical healthcare product manufacturers. Retail pharmacies provide last-mile connectivity in the pharmaceuticals supply chain and also serve as the face of the supply chain with patients/customers. The core function of a retailer is to dispense the medicine to the patients as prescribed by the doctor.

The retail pharmacy market in India is highly fragmented with the presence of a large number of local/standalone retail pharmacies. The market is highly competitive and dominated by traditional retail pharmacies. However, with the advent of technology and improved penetration of internet, online or e-pharmacies have started to penetrate this highly competitive market. Along with e-pharmacies, large retail chains have also entered the Indian pharmaceuticals market, with players such as Apollo Pharmacy and MedPlus establishing large/national retail pharmacy chains. The total Indian retail pharmacy market was valued at ~Rs.2.3 trillion in fiscal 2023. The share of large/national retail pharmacies in the total pharmacy retail market was 8-10%, with the rest covered by local/standalone retail pharmacies. Customer preference has been a crucial aspect in the emergence of e-pharmacies and large retail brands, with benefits such as better discounts and convenience as key value propositions. Consolidation in pharma retail is still in the nascent stage in India. With the presence of more than 900,000

pharmacy units, geographic expansion and operational challenges act as a key inhibitor for retail consolidation, especially in the Tier-2, Tier-3 cities and towns.

***Fragmented supply chain leads to operational complexities for local/standalone retail pharmacies***

With a fragmented pharmaceutical distribution supply chain, there are various challenges that local/standalone retailers, hospitals and clinics have to go through. On an average, a standalone retailer’s size is ~500 sq. ft., which allows them to stock about 2,000-3,000 stock-keeping units (SKUs) compared with a full range of ~100,000 SKUs; for the rest of the SKUs, they usually depend on the sub-scale distributors, and with the current fragmented nature of supply chains in India, pharmacies, hospitals and clinics need to procure healthcare products through multiple distributors to complete their product range required to service the customer. This leads to high supply chain costs and complexities, lack of transparency, high product expiries, pilferage, and loss of sales, among other issues. The multiple distributors traditionally used by pharmacies, hospitals and clinics in India have varied levels of product availability, fulfilment rates and service reliability, which can lead to loss of sales and higher cost of procurement. Further, by needing to procure healthcare products through multiple distributors, pharmacies, hospitals and clinics often face a delay in settlement of expired products, which, in turn, reduces their available working capital.

Thus, with the emergence of large/national distributors, retail pharmacies and hospitals are expected to benefit from better inventory management, high fill rates, reliable service levels and digital ordering experience provided by large/national distributors.

**Advantages and disadvantages of local/standalone and large retail pharmacies**

<b>Retail pharmacies</b>	<b>Advantages</b>	<b>Disadvantages</b>
Large/national retail chains	<ul style="list-style-type: none"> <li>• Better management of inventory with the presence of warehouses and cold chain infrastructure and resources such as financial capital to invest in technology and infrastructure.</li> <li>• Better discounts offered to end-consumers.</li> <li>• Higher SKU availability resulting in higher fill rates.</li> </ul>	<ul style="list-style-type: none"> <li>• Limited presence in the current market scenario.</li> <li>• Have to establish highly localised outlets to capture market share.</li> </ul>
Local/standalone pharmacies	<ul style="list-style-type: none"> <li>• Better at catering to personalised selling to the customer.</li> <li>• Higher presence in the competitive markets and Tier-1, Tier-2 cities.</li> </ul>	<ul style="list-style-type: none"> <li>• Limited capital availability resulting in fewer investments in technology and other marketing activities.</li> <li>• Fewer discounts passed to consumers on account of lack of transparency in discounts from manufacturers.</li> <li>• Limited number of SKUs/products available.</li> </ul>

***Retail pharmaceutical space dominated by local/standalone pharmacies***

Currently, there are more than 900,000 retail pharmacies in India and majority of them have been local/standalone retail pharmacy outlets. However, with increased digitalisation and better healthcare awareness, modern pharmacy chains and e-pharmacies have started to establish a significant presence in urban and semi-urban areas. Currently, large/national retail chains and e-pharmacies comprise only 8-10% of the retail pharmacy market, and most of them are concentrated in Tier-1 cities, such as Mumbai, Delhi and Bengaluru. Tier-2 cities and beyond are still underpenetrated in terms of large retail pharmacies.

***Comparison of retail and distributor business model***

Pharmaceutical distributors and retailers are key stakeholders in the pharmaceutical supply chain. Pharmaceutical distributors act as an intermediary to the pharmacy retailers and pharmaceutical manufacturers. They enter into contracts with pharmaceutical distributors to supply their products to the retailers and hence to the end-consumers. Every pharmaceutical company has a defined number of distributors for each geography or locality which supplies products to pharmacy retailers in that particular area.

Retailers, on the other hand, are the consumer-facing entity in the pharmaceutical supply chain. Pharmacy retailers have SKUs of different pharmaceutical companies to meet the end-consumers' demands. Retailers usually have tie-ups with a few distributors, which provides them with different SKUs of different pharmaceutical companies.

In terms of market consolidation, mergers and acquisitions have been taking place both in the pharmaceutical distribution as well as retail space. Large/national players in the pharmaceutical distribution market have witnessed inorganic growth by acquiring smaller/local distributors. In the case of retail space, consolidation is more in store expansion and creating branded retail chains. As a result, distributors are able to increase their market reach in a comparatively shorter period of time by growing inorganically, as compared to pharmacy retailers that usually require relatively more time to scale as they will need to increase store count.

Player	Pharma distributor	Pharma retailer
Role in pharma supply chain/value addition	<ul style="list-style-type: none"> <li>Acts as an intermediary between pharma manufacturers and retailers</li> <li>Distributor aggregates the requirements of multiple pharmacies and then segregate the demand company wise and does the replenishment thus optimizing inventory and fulfilment rate in the value chain</li> <li>Can provide other value-added services like being strategic partner to pharma companies in assisting marketing and promotional activities supported by wide reach to retailers and hospitals</li> </ul>	<ul style="list-style-type: none"> <li>Provides last mile connectivity in the pharmaceutical supply chain having customer touchpoints through physical and online stores</li> <li>Acts as a consumer facing entity catering to the local pharma demand</li> <li>Cater to both pharma prescription and OTC products by providing end customers with brands of different pharmaceutical companies</li> </ul>
Scalability	<ul style="list-style-type: none"> <li>With the inorganic growth the market reach can be increased multi fold in short period of time</li> <li>Penetration in tier-2 and tier-3 cities is easier</li> <li>Higher serviceable area with higher volume sales results in lower time to scale</li> </ul>	<ul style="list-style-type: none"> <li>Can scale up the operations by increasing store count and expansion but market catered can be limited</li> <li>Penetration to tier-2 and tier-3 cities difficult as companies have to establish store footprints in these locations</li> <li>Time to scale is comparatively higher as store expansion takes time</li> </ul>
Impact of e-commerce	<ul style="list-style-type: none"> <li>The B2B e-commerce in pharma distribution is still underpenetrated</li> </ul>	<ul style="list-style-type: none"> <li>E-pharmacies have stated making their way in the market with overall retail e-commerce penetration</li> </ul>

### Competitive mapping of Indian pharmaceutical distribution industry

In this section, CRISIL has compared some of the key players in the Indian pharmaceutical distribution Industry and those who have a comparatively similar product portfolio. Data in this section has been obtained from publicly available sources, including annual reports and investor presentations of listed players, regulatory filings, rating rationales, and/or company websites. The financials used in the competitive section have been re-classified by CRISIL based on the annual report and financial filings by the players.

Sr. No.	Company name
<b>Pharmaceutical distributors</b>	
1	Akna Medical Pvt Ltd
2	Ascent Wellness and Pharma Solutions Pvt Ltd
3	Entero Healthcare solutions Ltd
4	Hiveloop Technology Pvt Ltd (Udaan)
5	Keimed Pvt Ltd
<b>Pharmaceutical Retailers</b>	
1	Apollo Pharmacies Ltd
2	Axelia Solutions Pvt Ltd (Pharmeasy)
3	Medplus Health Services Ltd
4	Netmeds Marketplace Ltd

Sr. No.	Company name
5	Tata 1mg Healthcare Solutions Pvt Ltd
6	Wellness Forever Medicare Pvt Ltd

### *Operational overview*

#### Pharmaceutical distributors

#### **Business overview**

Company name	Year of incorporation	Business overview
Akna Medical Pvt Ltd	2018	<ul style="list-style-type: none"> <li>Akna Medical Pvt Ltd is a hospital-focused supply chain platform providing procurement services to hospitals across pharmaceuticals, medical devices and consumable goods.</li> <li>The company provides a digital platform to automate hospital procurement.</li> <li>It also provides real-time order tracking and inventory optimisation services to partner hospitals.</li> <li>Some of its key clients include Manipal Hospitals, Columbia Asia, Fortis, Max Healthcare, etc.</li> </ul>
Ascent Wellness and Pharma Solutions Pvt Ltd	2013*,2019	<ul style="list-style-type: none"> <li>Ascent Wellness and Pharma Solutions Pvt Ltd (AWPSPL) is a digital healthcare platform acting as a wholesale distributor for pharmaceutical companies.</li> <li>In addition, the company has various service offerings such as warehousing, logistics, credit and supplies. It also provides turnkey solutions for hospital pharmacy management.</li> <li>Among pharmaceutical companies, its notable clients include Zydus Cadila, Cipla, Sun Pharmaceuticals, Abbott, GSK, Pfizer, Torrent.</li> </ul>
Entero Healthcare solutions Ltd	2018	<ul style="list-style-type: none"> <li>Entero Healthcare solutions Ltd (EHSL) is a wholesale distribution healthcare platform which caters to retail pharmacies, hospitals, nursing homes, clinics and physicians.</li> <li>In addition, it also offers marketing and promotion services, patient support &amp; access services to pharmaceutical and medical device companies. Furthermore, it provides technology solutions to retailers, distributors across the pharma value chain to help order management, inventory management etc..</li> </ul>
Hiveloop Technology Pvt Ltd (Udaan)	2016	<ul style="list-style-type: none"> <li>Hiveloop Technology Pvt Ltd (HTPL) operates under the brand name of Udaan, a business-to-business (B2B) e-commerce marketplace. Udaan connects marketplace sellers with marketplace buyers (retailers, wholesalers etc.) through the Udaan mobile application and a suite of supporting services, facilitating the sale and purchase of goods between buyers and sellers.</li> <li>Through its subsidiary, the Group is also engaged in providing short-term loans and credit facilities to e-commerce businesses.</li> </ul>
Keimed Pvt Ltd	2000	<ul style="list-style-type: none"> <li>Keimed Pvt Ltd, was incorporated in March 2000 in Hyderabad, Telangana. Initially, the company used to carry out trading of pharma and hospital consumables under 'Keimed.com Ltd'. Later, in 2001, the name of the company was changed to 'Keimed Ltd' and again to 'Keimed Pvt Ltd' in 2012.</li> <li>The company is engaged in wholesale trading across various products such as medical devices, consumables, drugs, surgical, health and personal care products.</li> </ul>

Note:\*- Ascent Wellness and Pharma Solutions Pvt Ltd as an entity was incorporated in 2019 with API holdings Ltd as the ultimate holding company, further Ascent Health And Wellness Solutions Private Limited(AHWSPL)(established in 2013) was merged with API holdings in August 2020, and subsequently business of AHWSPL was transferred to Ascent wellness and pharma solutions Pvt Ltd

Source: Rating rationale, company website, company filings, CRISIL MI&A Research

## Distribution strategy

Company name	Distribution strategy
Akna Medical Pvt Ltd	<ul style="list-style-type: none"> <li>The company is focussed on hospital distribution. It manages its distribution network via cloud-based platform SmartBUY, which enables real time order tracking for hospital players.</li> <li>It also provides inventory visibility and analytics for hospital players. Apart from pharmaceuticals, the company also pushes medical devices and consumables goods to hospital players.</li> <li>The company also provides technology services to OEMs for their outbound orders. To strengthen their distribution network, it has been making strategic acquisitions in Maharashtra and NCR region.</li> </ul>
Ascent Wellness and Pharma Solutions Pvt Ltd	<ul style="list-style-type: none"> <li>The company is in the business of pharmaceutical distribution to retail pharmacies, hospitals and physicians.</li> <li>It provides digital supply chain solutions including warehousing and logistics services to retail and institutional pharmacies.</li> <li>It also acts as a vendor for hospital chains. Its distribution strategy focusses on being a one-stop solution for all — from OEMs to retail and institutional vendors.</li> </ul>
Entero Healthcare solutions Ltd	<ul style="list-style-type: none"> <li>The company is into distribution of pharmaceuticals, medical devices and consumables to retail pharmacies and institutional players.</li> <li>It provides value-added services such as marketing, and promotion services to pharmaceutical companies thereby acting as a partner to these companies.</li> <li>It has also focussed on strategic acquisitions to consolidate its distribution footprint across key markets.</li> </ul>
Hiveloop Technology Private Ltd (Udaan)	<ul style="list-style-type: none"> <li>The company is the business of retail products, ranging from medicines to electronics. It acts as an B2B e-commerce platform where sellers and buyers can register themselves and sell and buy products on it.</li> <li>It acts as an aggregator for retailers and wholesalers that can do business on their platforms.</li> </ul>
Keimed Private Ltd	<ul style="list-style-type: none"> <li>The company's distribution business is focussed on government and private hospitals and retail pharmacies providing pharmaceutical, surgical and medical devices.</li> <li>It is a preferred supplier for Apollo Hospitals' chain, from which it derives significant revenue. The company also focusses on strategic acquisitions to strengthen its distribution footprint.</li> </ul>

Source: Rating rationale, company websites, company filings, CRISIL MI&A Research

## Key recent acquisitions

Company name	Acquired companies	Month and year
Akna Medical Private Ltd	Vardhaman Health Specialities	May 2021
	Allumer Medical Pvt Ltd	March 2020
	Shreeji Distributors Pharma Pvt Ltd	October 2020
	Akshaya Medical and Surgical Agencies	January 2022
Ascent Wellness and Pharma Solutions Pvt Ltd	Varma Medicals	April 2021
	Sachdeva Medicals	June 2021
	E C Agencies	March 2022
	Sri Alagu Pharma	March 2022
Entero Healthcare solutions Ltd	Western Healthcare Solutions Pvt Ltd	April 2021
	City Pharma Distributors Pvt Ltd	April 2021
	Atreja Healthcare Solutions Pvt Ltd	April 2021
	New Siva Agencies Pvt Ltd	December 2021
	New RRPD Pvt Ltd	December 2021
	Sri Parshva Pharma Distributors Pvt Ltd	February 2022
	Sri Rama Pharmaceutical Distributors Pvt Ltd	March 2022
	Swami Medisolutions Pvt Ltd	December 2021

Company name	Acquired companies	Month and year
Hiveloop Technology Pvt Ltd (Udaan)	-	-
Keimed Pvt Ltd	Excelsior Softwares Pvt Ltd	March 2020
	Singla medicos Pharma Pvt Ltd	March 2021
	Shree Datta Agencies Pvt Ltd	March 2021

Note: The above list is indicative, not exhaustive. Key acquisitions are shown to indicate the inorganic growth of large/national players in the pharmaceutical distribution industry

Source: Rating rationale, company websites, company filings, CRISIL MI&A Research

## Key operational parameters

Company name	Employees	No. of SKUs	No. of warehouse	Warehouse space	Geographies catered to	Pin codes catered to	Cities/ Districts catered	Pharmacies/ hospitals catered to
Akna Medical Pvt Ltd**	500	45,000+	20	250,000 sq ft	pan-India	NA	Cities:100	Hospitals - 1,200+
Ascent Wellness and Pharma Solutions Pvt Ltd#	NA	NA	NA	NA	pan-India	NA	NA	Pharmacies – 25,000+
Entero Healthcare solutions Ltd\$	3,181	63,900+	77	464,112 sq ft	pan-India	5,500	Cities:38*** Districts:501	Hospitals – 2,800+ Pharmacies – 73,700+*
Hiveloop Technology Private Ltd (Udaan)**	NA	NA	NA	NA	pan-India	12,000	Cities:900	NA
Keimed Pvt Ltd**	NA	45,000+	86	600,000 sq ft@	pan-India	NA	NA	Pharmacies - 70,000+

Note: NA - not available, \*-Includes physicians as customers, \*\*-Data as per company website accessed in December 2023, \$-Data as of 6 months ended September 2023,

For fiscal year 2023 Entero Healthcare Solutions Ltd. had following operational parameters: Employees- 3041, No. of SKUs-64,500+, No. of warehouse-74, Warehouse space- 430,556 sq. ft., Geographies catered-Pan-India, Pin codes catered to- 5,500, Cities catered to- 37, Districts catered to- 495, Hospitals catered to- 3,400+, Pharmacies catered to- 81,400+. @-Data as per credit rating rationale dated November 2023, \*\*\*-Number of cities indicates number of cities where company have warehouse facility

#- Data as per the company website accessed in December 2023, API holdings Ltd which is the holding company of Ascent wellness and Pharma solutions Pvt Ltd (AWPSPL) reported 112,849 active pharmacies as of fiscal 2023 inclusive of retail pharmacies that company directly supply to as well third party pharmacies doing transactions on company's distribution and retail platform 'Retailio'.Retailio is the distribution and retail platform of API holdings ltd under the entity Ayro Retail Solutions Pvt. Ltd

Source: Rating rationale, company websites, company filings, CRISIL MI&A Research

## Pharmaceutical retailers

### Business overview

Company name	Year of incorporation	Business overview
Apollo Pharmacies Ltd	2016	<ul style="list-style-type: none"> <li>Apollo Pharmacies is an omnichannel pharmacy retail player in India. It was formed by carving out the front-end pharmacy business of Apollo Hospitals Enterprise Ltd.</li> <li>The company has offline stores across the country and is run by the company directly with no franchise mode of operation. It has also forayed into the online pharmacy retailing space.</li> </ul>
Axelia Solutions Pvt Ltd (Pharmeasy)	2019	<ul style="list-style-type: none"> <li>The company, under the brand name of 'Pharmeasy', operates an online pharmacy retail platform which provides pharmaceuticals and other healthcare related products. The website also has a listing of diagnostics services which it fulfils through partner labs.</li> <li>The company has tie-ups with the retail pharmacies through which it fulfils its orders and charges commission from the partner pharmacies for the same.</li> </ul>

Company name	Year of incorporation	Business overview
Medplus Health Services Ltd	2006	<ul style="list-style-type: none"> <li>The company is into the pharmaceutical retail business under the 'Medplus' brand in the southern, eastern and western states of India.</li> <li>It has also developed e-commerce platforms such as MedPlus Mart, MedPlus Lens and MedPlus Labs, which provide e-pharmacy, optics and diagnostics services, respectively.</li> </ul>
Netmeds Marketplace Ltd	2010	<ul style="list-style-type: none"> <li>The company operates online pharmacy platform under the brand name of Netmeds. Netmeds facilitates online purchase of pharmaceuticals as well as medical consumable and other healthcare related products.</li> <li>The company have registered sellers on its platform through which it fulfils customer orders and charges commission from sellers or listing fee.</li> </ul>
Tata 1mg Healthcare Solutions Pvt Ltd	2016	<ul style="list-style-type: none"> <li>The company operates an online pharmacy platform. It also facilitates other services such as lab tests and doctor consultations.</li> <li>The company has tie-ups with retail pharmacies through which it fulfils its orders and charges commission from partner pharmacies for the same.</li> </ul>
Wellness Forever Medicare Pvt Ltd	2008	<ul style="list-style-type: none"> <li>The company is into the pharmaceutical retail business under the 'Wellness Forever' brand in Mumbai and nearby regions. It has expanded its stores to other locations in Maharashtra and states such as Karnataka and Goa.</li> <li>The company operates most of its outlets on company-owned company-operated model. It has a centralised distribution centre in Bhiwandi, Maharashtra, which is used to provide supplies to its pharmacy store network.</li> </ul>

Source: Rating rationale, company website, company filings, CRISIL MI&A Research

### Key operational parameters

Company name	No. of employees	No. of warehouses	No. of SKUs	No of retail locations	Key geographies catered to	Pin codes catered to	Cities catered to	Share of private label
Apollo Pharmacies Ltd	NA	NA	70,000+	5,500	North, south, west, east	19,000	NA	FY21:10.0% FY22:11.2% FY23:15.5%
Axelia Solutions Pvt Ltd	NA	NA	100,000+	NA	North, south, west, east	22,000	1,000	FY21:22.8%
Medplus Health Services Ltd@	22,000	10	44,000+	3,822	South, west, east	NA	552	FY21:10.1% FY22:12.7% FY23:13.6%
Netmeds Marketplace Ltd	NA	NA	NA	1,000	North, south, west, east	20,000	NA	NA
Tata 1mg Healthcare Solutions Pvt Ltd	NA	NA	NA	NA	NA	NA	1,800	NA
Wellness Forever Medicare Pvt Ltd	NA	NA	100,000+	395	South, west	NA	23	FY21:1.7%

Note: NA - not available, Data as per company website accessed in December 2023

@-Data as of fiscal 2023

Source: Rating rationale, company website, company filings, CRISIL MI&A Research

### Comparison of pharmaceutical distributors and retailers

Distributors	Years of operation	Revenue/Operating income (FY22) ₹ million	Retailers	Years of operation	Revenue/Operating income (FY22) ₹ million
Akna Medical Pvt Ltd	4	8,548.53	Apollo Pharmacies Ltd	25	67,552.41
Ascent Wellness and Pharma Solutions Pvt Ltd	9*	4,504.79**	Axelia Solutions Pvt Ltd (Pharmeasy)	8	3,272.15
Entero Healthcare solutions Private Ltd\$	4	25,220.65	Medplus Health Services Ltd	16	37,835.82



Hiveloop Technology Pvt Ltd (Udaan)	6	6,088.98	Netmeds Marketplace Ltd	12	1,079.22
Keimed Pvt Ltd	22	76,233.42	Tata 1mg Healthcare Solutions Pvt Ltd	7	4,757.81
			Wellness Forever Medicare Pvt Ltd	14	12,004.03

Note: Years of operation includes the year in which company/brand started distribution/retail business

\*: Ascent Wellness and Pharma Solutions Pvt Ltd as an entity was incorporated in 2019 with API holdings Ltd as the ultimate holding company, further Ascent Health And Wellness Solutions Private Limited(AHWSPL)(established in 2013) was merged with API holdings in August 2020, and subsequently business of AHWSPL was transferred to Ascent wellness and pharma solutions Pvt Ltd

\*\*:-Consolidated financials for (AWPSPL) are not available in the public domain, The ultimate holding company of AWPSPL which is API Holdings Ltd reported consolidated revenue of ₹57,288.21 million in fiscal 2022 and ₹67,051.19 million in fiscal 2023 with distribution to Chemist /Institution business of API holdings Ltd recording revenue of ₹28,217.17 million and ₹32,646.08 million in fiscal 2022 and fiscal 2023 respectively

\$-Financial data as per restated consolidated financial statements  
Source: Rating rationale, company website, company filings, CRISIL MI&A Research

## Financial overview

### Financial snapshot of key competitors (fiscal 2022)

Company name	Operating income			OPBDIT			PAT			Gross Profit
	₹ million	y-o-y growth	CAGR FY20-22	₹ million	y-o-y growth	CAGR FY20-22	₹ million	y-o-y growth	CAGR FY20-22	₹ million
<b>Pharmaceutical distributors</b>										
Akna Medical Pvt Ltd	8,548.53	470.20%	501.59%	-1,116.55	n.m.	n.m.	-1,710.16	n.m.	n.m.	868.81
Ascent Wellness and Pharma Solutions Pvt Ltd@	4,504.79**	282.45%	n.m.	141.77	17.63%	n.m.	-425.01	-198.95%	n.m.	206.84
Entero Healthcare solutions Ltd\$	25,220.65	41.71%	36.07%	245.96	12.17%	27.41%	-294.39	n.m.	n.m.	2,096.28
Hiveloop Technology Pvt Ltd (Udaan)	6,088.98	33.84%	64.28%	-17,373.05	n.m.	n.m.	-17,615.45	n.m.	n.m.	-16,597.98^
Keimed Pvt Ltd	76,233.42	28.43%	13.44%	2,733.36	30.97%	14.64%	1,259.02	44.30%	19.75%	5,511.04
<b>Pharmaceutical retailers</b>										
Apollo Pharmacies Ltd	67,552.41	20.45%	n.m.	2,543.42	-9.17%	n.m.	-273.37	-249.05%	n.m.	13,335.57
Axelia Solutions Pvt Ltd	3,272.15	175.31%	34.20%	101.06	3.27%	n.m.	-53.82	-650.11%	n.m.	-30.03^
Medplus Health Services Ltd	37,835.82	23.27%	14.80%	2,766.77	27.58%	43.57%	947.16	50.08%	626.61%	8,012.07
Netmeds Marketplace Ltd	1,079.22	-19.68%	69.92%	97.95	-34.66%	n.m.	105.77	909.63%	n.m.	123.34^
Tata 1mg Healthcare Solutions Pvt Ltd	4,757.81	90.98%	33.22%	-3,880.84	n.m.	n.m.	-4,084.32	n.m.	n.m.	1,245.02
Wellness Forever Medicare Pvt Ltd	12,004.03	30.25%	17.37%	889.95	29.56%	58.58%	-289.00	n.m.	n.m.	3,481.56

Notes: n.m.: not meaningful; financials for all distributor players are on consolidated basis except for Ascent Wellness and Pharma Solutions; for retailers, financials are on a standalone basis except for Medplus Health Services Ltd; OPBDIT: operating profit before depreciation, interest and taxes, PAT: profit after tax, gross profit=Operating income-cost of goods sold

@- Ascent Wellness and Pharma Solutions Pvt Ltd (AWPSPL) as an entity was incorporated in 2019 with API holdings Ltd as the ultimate holding company, further Ascent Health And Wellness Solutions Private Limited(AHWSPL)(established in 2013) was merged with API holdings in August 2020, and subsequently business of AHWSPL was transferred to Ascent wellness and pharma solutions Pvt Ltd.

\*\*:-Consolidated financials for (AWPSPL) are not available in the public domain, The ultimate holding company of AWPSPL which is API Holdings Ltd reported consolidated revenue of ₹57,288.21 million in fiscal 2022 and ₹67,051.19 million in fiscal 2023 with distribution to Chemist /Institution business of API holdings Ltd recording revenue of ₹28,217.17 million and ₹32,646.08 million in fiscal 2022 and fiscal 2023 respectively

^EBIDTA value is provided in place of gross profit as company mainly provide service oriented solutions

\$-Financial data as per restated consolidated financial statements

Source: Company reports and websites, CRISIL MI&A Research



### Financial ratios of key competitors (fiscal 2022)

Company name	Operating profit margin (%)	Net profit margin (%)	RoCE (%)	ROE (%)	Gearing ratio	Current ratio	Asset turnover ratio	Gross profit margin (%)	NWC days
<b>Pharmaceutical distributors</b>									
Akna Medical Pvt Ltd	-13.06	-20.01	-36.54	-140.93	1.96	1.26	85.55	10.16	126
Ascent Wellness and Pharma Solutions Pvt Ltd@	3.15	-9.43	6.53	-12.45	2.15	0.23	15.65	4.59	88
Entero Healthcare solutions Ltd\$	0.98	-1.17	1.49	-7.35	0.70	1.84	17.88	8.31	78
Hiveloop Technology Private Ltd (Udaan)	-285.32	-289.30	-207.51	-463.69	0.90	1.04	4.93	-272.59^	24
Keimed Pvt Ltd	3.59	1.65	21.37	36.24	2.70	1.45	59.08	7.23	56
<b>Pharmaceutical retailers</b>									
Apollo Pharmacies Ltd	3.77	-0.40	18.83	-22.81	2.28	0.91	4.37	19.74	-3
Axelia Solutions Pvt Ltd	3.09	-1.64	n.m.	n.m.	n.m.	1.05	819.90	-0.92^	34
Medplus Health Services Ltd	7.31	2.50	16.39	9.22	0.10	2.95	5.29	21.18	66
Netmeds Marketplace Ltd	9.08	9.80	24.42	40.92	0.25	0.58	3.53	11.43^	12
Tata 1mg Healthcare Solutions Pvt Ltd	-81.57	-85.84	-336.18	-1,300.04	5.25	0.92	6.69	26.17	15
Wellness Forever Medicare Pvt Ltd	7.41	-2.41	0.53	-31.29	2.24	1.07	7.29	29.00	48

Notes: n.m.: not meaningful; financials for all distributor players are on consolidated basis, except for Ascent Wellness and Pharma Solutions; for retailers, financials are on a standalone basis except for Medplus Health Services Ltd;

@: Ascent Wellness and Pharma Solutions Pvt Ltd (AWPSPL) as an entity was incorporated in 2019 with API holdings Ltd as the ultimate holding company, further Ascent Health And Wellness Solutions Private Limited (AHWSPL) (established in 2013) was merged with API holdings in August 2020, and subsequently business of AHWSPL was transferred to Ascent wellness and pharma solutions Pvt Ltd.

Consolidated financials for (AWPSPL) are not available in the public domain. The ultimate holding company of AWPSPL which is API Holdings Ltd reported consolidated revenue of ₹57,288.21 million in fiscal 2022 and ₹67,051.19 million in fiscal 2023 with distribution to Chemist /Institution business of API holdings Ltd recording revenue of ₹28,217.17 million and ₹32,646.08 million in fiscal 2022 and fiscal 2023 respectively

\$-Financial data as per restated consolidated financial statements

^EBIDTA margin is provided in place of gross profit margin as company mainly provide service oriented solutions

Working capital days provided above are at net level, working capital days grossed up for GST taxes for Entero Healthcare Solutions Ltd. is 69 days for fiscal 2022. Same value for peers cannot be calculated as exact data for peers regarding the same is not available.

Ratios calculated as per CRISIL MI&A research standards are described below:

OPBDIT margin = OPBDIT/Operating income

Net profit margin = Profit after tax/Operating income

RoCE = Profit before interest and tax (PBIT)/(Average total debt + average tangible network + average deferred tax liability)

PBIT=Profit before tax (PBT)+Interest & finance cost

ROE= PAT/ Average tangible net worth

Gearing ratio = Total debt/Tangible net worth

Current ratio = Current assets/Current liabilities

Asset turnover ratio=Operating income/Average gross block

Gross profit margin=-Gross profit/Operating income

NWC (Net working capital) days=Debtors days+ inventory days-payable days

Source: Company reports and websites, CRISIL MI&A Research

### Financial snapshot of key competitors (fiscal 2023)

Company name	Operating income			OPBDIT			PAT			Gross Profit
	₹ million (Fiscal 2023)	y-o-y growth %	CAGR FY21-23 %	₹ million (Fiscal 2023)	y-o-y growth %	CAGR FY21-23 %	₹ million (Fiscal 2023)	y-o-y growth %	CAGR FY21-23 %	₹ million (Fiscal 2023)
<b>Pharmaceutical distributors</b>										
Entero Healthcare solutions Ltd\$	33,002.07	30.85%	36.17%	640.22	160.29%	70.87%	-111.04	n.m.	n.m.	2,683.42

Company name	Operating income			OPBDIT			PAT			Gross Profit
	₹ million (Fiscal 2023)	y-o-y growth %	CAGR FY21-23 %	₹ million (Fiscal 2023)	y-o-y growth	CAGR FY21-23	₹ million (Fiscal 2023)	y-o-y growth	CAGR FY21-23	₹ million (Fiscal 2023)
Hiveloop Technology Private Ltd (Udaan)	4,361.72	-28.37%	-2.09%	-10,276.91	n.m.	n.m.	-10,840.30	n.m.	n.m.	-9,773.34^
<b>Pharmaceutical retailers</b>										
Apollo Pharmacies Ltd	82,588.00	22.26%	21.35%	1,251.00	-50.81%	-33.16%	-2,824.00	n.m.	n.m.	15,832.00
Axelia Solutions Pvt Ltd	2,568.40	-21.51%	47.00%	9.47	-90.63%	-68.89%	-7.55	-85.97%	n.m.	12.88^
Medplus Health Services Ltd	45,627.07	20.59%	21.92%	2,708.89	-2.09%	11.76%	501.05	-47.10%	-10.90%	10,050.19
Netmeds Marketplace Ltd	1,453.14	34.65%	4.00%	123.78	26.37%	-9.13%	112.22	6.10%	227.29%	134.92^
Tata 1mg Healthcare Solutions Pvt Ltd	14,083.12	196.00%	137.76%	-4,852.07	n.m.	n.m.	-5,683.30	n.m.	n.m.	2,153.54
Wellness Forever Medicare Pvt Ltd	13,784.92	14.84%	22.30%	1,140.31	28.13%	28.85%	-332.66	n.m.	n.m.	3,901.68

Notes: n.m.: not meaningful; ; financials for all distributor players are on consolidated basis, for retailers, financials are on a standalone basis except for Medplus Health Services Ltd;

OPBDIT: operating profit before depreciation, interest and taxes, PAT: profit after tax, gross profit=Operating income-cost of goods sold

-\$-Financial data as per restated consolidated financial statements

^EBIDTA value is provided in place of gross profit as company mainly provide service oriented solutions

Source: Company reports and websites, CRISIL MI&A Research

#### Financial ratios of key competitors (fiscal 2023)

Company name	Operating profit margin (%)	Net profit margin (%)	RoCE (%)	ROE (%)	Gearing ratio	Current ratio	Asset turnover ratio	Gross profit margin (%)	NWC days	
<b>Pharmaceutical distributors</b>										
Entero Healthcare solutions Ltd\$	1.94	-0.34	6.06	-2.66	0.88	1.64	20.48	8.13	70	
Hiveloop Technology Private Ltd (Udaan)	-235.62	-248.53	-110.71	-244.29	1.27	1.10	5.30	-224.07^	5	
<b>Pharmaceutical retailers</b>										
Apollo Pharmacies Ltd	1.51	-3.42	n.m.	n.m.	n.m.	0.71	7.51	19.17	-26	
Axelia Solutions Pvt Ltd	0.37	-0.29	24.84	n.m.	n.m.	0.98	1005.24	0.50^	24	
Medplus Health Services Ltd	5.94	1.10	9.16	3.56	0.00	3.11	3.76	22.03	71	
Netmeds Marketplace Ltd	8.52	7.72	29.59	31.94	0.00	1.51	15.89	9.28^	n.m.	
Tata 1mg Healthcare Solutions Pvt Ltd	-34.45	-40.36	-340.36	n.m.	n.m.	0.67	7.04	15.29	-6	
Wellness Forever Medicare Pvt Ltd	8.27	-2.41	0.15	-14.13	0.49	1.37	3.22	28.30	66	

Notes: n.m.: not meaningful; financials for all distributor players are on consolidated basis, for retailers, financials are on a standalone basis except for Medplus Health Services Ltd;

-\$-Financial data as per restated consolidated financial statements

^EBIDTA margin is provided in place of gross profit margin as company mainly provide service oriented solutions

Working capital days provided above are at net level, working capital days grossed up for GST taxes for Entero Healthcare Solutions Ltd. is 63 days for fiscal 2023. Same value for peers cannot be calculated as exact data for peers regarding the same is not available.

Ratios calculated as per CRISIL MI&A research standards are described below:

OPBDIT margin = OPBDIT/Operating income

Net profit margin = Profit after tax/Operating income

RoCE = Profit before interest and tax (PBIT)/(Average total debt + average tangible network + average deferred tax liability)

$PBIT = \text{Profit before tax (PBT)} + \text{Interest \& finance cost}$   
 $ROE = \text{PAT} / \text{Average tangible net worth}$   
 $\text{Gearing ratio} = \text{Total debt} / \text{Tangible net worth}$   
 $\text{Current ratio} = \text{Current assets} / \text{Current liabilities}$   
 $\text{Asset turnover ratio} = \text{Operating income} / \text{Average gross block}$   
 $\text{Gross profit margin} = \text{Gross profit} / \text{Operating income}$   
 $\text{NWC (Net working capital) days} = \text{Debtors days} + \text{inventory days} - \text{payable days}$   
 Source: Company reports and websites, CRISIL MI&A Research

#### Market share for Entero Healthcare Limited (fiscal 2023)

Particulars	Unit	FY2023
Market size of Indian pharmaceutical distribution and medical devices industry	₹ billion	2,669.04
Revenue from operations for Entero Healthcare Limited	₹ billion	33.00
Market share of Entero Healthcare limited in Indian pharmaceutical distribution and medical devices industry	%	1.24%

Source: Company reports, CRISIL MI&A

#### Key observations:

- Pharmaceutical and healthcare distribution Industry in India has seen consolidation through M&A activity whereby large/national distributors have acquired small / local players.
- Entero Healthcare Solutions Limited has wide operational presence across India with presence across 501 districts through physical warehouses in 38 cities.
- Entero Healthcare Solutions Private Limited (Entero) is among the top-3 healthcare products distributor in India in terms of revenue in fiscal 2022. The company reported operating income of ₹25,220.65 million in fiscal 2022.
- Entero has achieved fastest scale up of operations among the healthcare products distributors in India (between fiscal 2019 to fiscal 2022). Entero reached ₹25,000 million operating income within 4 years of operations.
- Entero is among the top-3 healthcare products distributor in India to have wide network reach with retail pharmacies in India. Entero catered to 39,500+, 64,200+, 81,400+, 65,000+ and 73,700+ retail pharmacies in fiscal 2021, fiscal 2022, fiscal 2023, six months ended September 2022 and six months ended September 2023, respectively.
- Entero has the largest hospital customer network among the pharmaceutical products distributors in India. Entero catered to 1600+, 2,500+, 3,400+, 2,400+ and 2,800+ hospital customers in fiscal 2021, fiscal 2022, fiscal 2023, six months ended September 2022 and six months ended September 2023, respectively.
- The market share for Entero healthcare Solutions Limited with operating revenue of ₹33.00 billion for Fiscal 2023 in Indian pharmaceutical and medical devices distribution industry (total size: 2,669.04 billion) is 1.24% as of fiscal 2023.

## OUR BUSINESS

Some of the information in this section, 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 24 for a discussion of the risks and uncertainties related to those statements and also “**Risk Factors**” on page 39 for a discussion of certain risks that may affect our business, financial condition, or results of operations, “**Industry Overview**”, “**Restated Consolidated Financial Information**”, “**Pro Forma Financial Information**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 145, 279, 397, and 429 respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Our Company’s financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular financial year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for the financial years 2021, 2022 and 2023, and the six months ended September 30, 2022 and 2023, included herein is derived from the Restated Consolidated Financial Information included in this Prospectus. For further information, see “Restated Consolidated Financial Information” on page 279. Additionally, please see Pro Forma Financial Information as at and for the year ended March 31, 2023, and as at and for the six months ended September 30, 2023, on page 397, which has been prepared for illustrative purposes to show the effects of the acquisitions of two entities during the Financial Year 2024 on our Restated Consolidated Financial Information.

We have included certain non-GAAP financial measures and other performance indicators relating to our financial performance and business in this Prospectus, each of which are supplemental measures of our performance and liquidity and are not required by, or presented in accordance with Ind AS, Indian GAAP, IFRS or U.S. GAAP. Further, such measures and indicators are not defined under Ind AS, IFRS or U.S. GAAP, and therefore, should not be viewed as substitutes for performance, liquidity or profitability measures under Ind AS, IFRS or U.S. GAAP. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculations, may vary from that used by other companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision, and should consult their own advisors and evaluate such information in the context of the Restated Consolidated Financial Information and other information relating to our business and operations included in this Prospectus.

Unless otherwise indicated or the context otherwise requires, in this section, references to “the Company” or “our Company” are to Entero Healthcare Solutions Limited on a standalone basis, and references to “the Group”, “we”, “us”, “our”, are to Entero Healthcare Solutions Limited and its Subsidiaries on a consolidated basis.

Unless otherwise indicated, industry and market data used in this section has been derived from the report titled “Assessment of the pharmaceutical and pharmaceutical delivery industry in India” dated November 2023 (“**CRISIL Report**”) prepared by CRISIL Limited (“**CRISIL**”). We commissioned the CRISIL Report on June 28, 2023 and paid an agreed fee for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. Further, a copy of the CRISIL Report shall be available on the website of our Company at <https://www.enterohealthcare.com/investor/initial-public-offer/industry-report.php> in compliance with applicable laws. The CRISIL Report is not a recommendation to invest or disinvest in any company covered in the report. The views expressed in the CRISIL Report are that of CRISIL. Prospective investors are advised not to unduly rely on the CRISIL Report. For further details and risks in relation to commissioned reports, see “**Risk Factors — This Prospectus contains information from third parties and from the CRISIL Report prepared by CRISIL, which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.**” on page 64.

### Overview

We are amongst the top three healthcare products distributors in India in terms of revenue in Financial Year 2022, and reported an operating income of ₹25,220.65 million in Financial Year 2022 (Source: CRISIL Report). Further, we also achieved the fastest scale-up of operations among healthcare products distributors in India (between Financial Year 2019 to Financial Year 2022), and reached ₹25,000 million of operating income within four years of operations (Source: CRISIL Report).

Our Company was founded in 2018 by Prabhat Agrawal, our Promoter, Managing Director and Chief Executive Officer, and Prem Sethi, our Promoter, Whole-time Director and Chief Operating Officer, with the vision to create an organized, pan-India, technology driven and integrated healthcare products distribution platform that can add value to the entire healthcare ecosystem. We add value to the healthcare product manufacturers that work with us by providing them reach and accessibility to pharmacies, hospitals and clinics through our integrated and technology driven, pan-India healthcare products distribution platform. As of September 30, 2023, our 77 warehouses located across the country, last-mile delivery infrastructure and relationships with pharmacies, hospitals and clinics enables healthcare product manufacturers to make their products available to a wide range of customers. Similarly, the pharmacies, hospitals and clinics that we service get access to a wide range of healthcare products through our distribution infrastructure and our healthcare product manufacturer relationships. During the Financial Years 2021, 2022 and 2023, and the six months ended September 30, 2023, we catered to over 39,500, 64,200, 81,400 and 73,700 retail customers, respectively, and over 1,600, 2,500, 3,400 and 2,800 hospital customers, respectively. Further, as of September 30, 2023, we have supply relationships with over 1,900 healthcare product manufacturers that gives us access to over 63,900 product stock-keeping units (“SKUs”).

We seek to provide service and value in the following ways:

***Benefits to healthcare product manufacturers:***

- *Access to large number of pharmacies, hospitals and clinics throughout the country through a single distributor platform*

According to the CRISIL Report, the distribution of pharmaceutical products in India is extremely fragmented with approximately 65,000 distributors, as of March 31, 2023, that generally service limited local areas only, unlike developed markets where large nationwide distributors occupy a dominant market position. Manufacturers, as well as retail pharmacies, may prefer lower number of distributors for better supply chain operational efficiencies along with reduced complexities (*Source: CRISIL Report*). The operational efficiencies can be achieved through reduced logistics costs as a result of streamlined procurement and distribution as provided by large/national distributors (*Source: CRISIL Report*). Other benefits of large/national distributors to pharmaceutical and healthcare product manufacturers/marketers include (i) better customer and geographical reach for engagement in a fragmented retail space through a large and tech-enabled channel partner, and (ii) efficient inventory management, leading to lower prescription bounce rates and expiries (*Source: CRISIL Report*). We are also among the top three healthcare products distributor in India to have a wide network reach with retail pharmacies in India, and catered to over 39,500, 64,200, 81,400, 65,000 and 73,700 retail pharmacies in Financial Years 2021, 2022 and 2023, and the six months ended September 30, 2022 and 2023, respectively (*Source: CRISIL Report*). In addition, we have the largest hospital customer network among pharmaceutical products distributor in India, and catered to over 1,600, 2,500, 3,400, 2,400 and 2,800 hospital customers in Financial Years 2021, 2022 and 2023, and the six months ended September 30, 2022 and 2023, respectively. (*Source: CRISIL Report*)

With our nationwide presence of 77 distribution warehouses located across 38 cities in 19 states and union territories, and a customer base of over 73,700 pharmacies and 2,800 hospitals spread across 501 districts, as of September 30, 2023, we provide vast access to healthcare product manufacturers.

- *Availability of a nationwide healthcare products distribution platform in compliance with relevant regulations for setting up our warehouses, and logistics services*

According to the CRISIL Report, pharmaceutical products and devices, including life-saving medicines require special storage, transportation and handling, to ensure product quality. Due to the current fragmented nature of the supply chain in India, scaled up, compliant and efficient warehousing and logistics remains a challenge.

As of September 30, 2023, we have 464,112 square feet of warehousing space with temperature monitoring systems and modern storage solutions for optimal storage of healthcare products. Our warehouses are staffed with trained manpower to ensure adherence to temperature requirements as per the storage instructions of manufacturers. We are in compliance with the relevant regulations for setting up our warehouses. All of our warehouses that store products governed by the Drugs and Cosmetics Act, 1940 and the rules thereunder, also have the required drug licenses issued by the relevant regulatory authority. These drug licenses are periodically renewed based on the relevant regulatory authority’s inspections and satisfaction with our level of regulatory compliance.

- *Integrated systems and technologies to offer data intelligence and analytics*

We provide micro level sales and inventory data to healthcare product manufacturers. Our technology backed data intelligence, insights and analytics can be used by healthcare product manufacturers for sales, marketing and sales force effectiveness improvement related initiatives, identification of key opportunity areas, understanding customer preferences, demand-supply dynamics and product sales trends.

- *Comprehensive end-to-end healthcare products distribution solutions combined with marketing and promotion capabilities*

We offer both demand generation and demand fulfilment solutions to healthcare product manufacturers. We offer demand generation solutions to healthcare product manufacturers by promoting and creating awareness of their product brands to healthcare professionals, doctors and channels such as pharmacies, hospitals (both private and government), clinics and customers through e-commerce marketplaces. For example, we have entered into an agreement with Roche Products (India) Private Limited for the promotion, marketing and distribution of its four nephrology drugs in India. Further, we provide end-to-end healthcare products distribution solutions including imports, central warehousing, redistribution, last mile delivery and connection with the pharmacies, hospitals and clinics. Our demand generation and demand fulfilment solutions are integrated across the value chain and we benefit from synergies arising from our wide customer network, distribution infrastructure and geographic reach.

#### ***Benefits to pharmacies, hospitals and clinics***

- *One stop solution for procurement needs*

The multiple distributors traditionally used by pharmacies, hospitals and clinics in India have varied levels of product availability, fulfilment rates and service reliability, which can lead to loss of sales and higher costs of procurement. (Source: CRISIL Report)

Our scale of operations allows us to procure products at competitive prices and have a wide product range with adequate inventory levels. We also provide a diverse spectrum of healthcare products, including pharmaceutical products, nutraceuticals, medical devices, surgical consumables, over-the-counter medicines and vaccines, which enables us to become a one stop shop for our customer's healthcare product needs. Accordingly, we aim to provide high fill rates to our customers, which in turn enables them to provide high fill rates to end consumers. We also aim to provide low turnaround time to our customers. Our ability to provide high fill rates and low turnaround time to our customers is crucial to optimize their inventory level, and to reduce their loss of sales due to stock-outs. According to the CRISIL Report, with the emergence of large / national distributors, retail pharmacies and hospitals are expected to benefit from better inventory management, high fill rates, reliable service levels and digital ordering experience provided by large / national distributors. Further, we provide cold chain logistics, which is the safe transport of temperature-sensitive goods and products along the supply chain, by utilising our warehouses with temperature monitoring systems and modern storage solutions, which are staffed with trained manpower to ensure adherence to temperature requirements as per the storage instructions of manufacturers.

- *Better retail experience through technology-based solutions such as direct B2B applications and web platforms*

We leverage technology to provide a positive buying experience through our digital solutions such as the Entero Direct B2B application (“**Entero Direct**”), where customers have real-time visibility of our product range, pricing, inventory levels, order status, outstanding balances, promotional offers. Entero Direct can be used for order management 24 hours a day, seven days a week. Through Entero Direct, pharmacies are able to place orders with us, track the status of their orders, make online payments and arrange for returns and claim settlements by means of an integrated ‘single-click’ system. Further, healthcare product manufacturers can use the Entero Direct platform to display their products and run promotional offers to promote their brands. As of September 30, 2023, Entero Direct had over 7,700 active users, with sales on Entero Direct aggregating to ₹2,571.88 million for the six months ended September 30, 2023.

Apart from Entero Direct, our ERP systems are also integrated with our other ordering B2B applications, thereby providing our customers with a wide range of options for seamless order management. For details, see “***Our Business – Description of our Business – Technology***” on page 194.

Further, with the data collected from our large base of pharmacy, hospital and clinic customers, our business intelligence tools assist healthcare product manufacturers with their operations, including product placement and launches, channel marketing opportunities and sales force management. Through such data-based tools, we are able to gain insights into procurement trends and carry out data-based forecasting of stock demand, thereby ensuring better fill rates and inventory management.

Our business operations are led by an experienced and driven team, comprised of professionals with experience in the healthcare and pharmaceutical industries. Our co-founder, Promoter, Managing Director and Chief Executive Officer, Prabhat Agrawal, and our co-founder, Promoter, Whole-time Director and Chief Operating Officer, Prem Sethi, both with extensive experience in our industry, play instrumental roles in the strategic direction and growth of our business. Our Company's shareholders include OrbiMed Asia III Mauritius Limited, a healthcare-focused fund, which has provided us continuous support through our growth in business.

We have grown our business through both organic and inorganic means (i.e. through acquisition of distributors). As part of our inorganic growth strategy, we have endeavoured to take advantage of the market consolidation opportunities available in the Indian healthcare products distribution market. Accordingly, we have adopted a pan-India approach towards acquiring and integrating smaller distributors to expand our geographic reach and increase the wallet share from our customers. Since our inception in the Financial Year 2018, we have acquired 34 entities in the healthcare products distribution industry.

Subsequent to the completion of an acquisition, we deploy our growth strategies such as product portfolio expansion, increased customer reach, improved service levels, and technology-based solutions to increase our market share. Given our track record in acquiring and integrating smaller distributors across India, we have been able to continuously attract distributors to become acquired by and integrated with us. Post such integration, we derive synergies from the acquisition, which helps in the overall growth of our business. Our Subsidiaries purchase pharmaceutical / healthcare products from product manufacturers or their appointed CFAs and sell the products to the pharmacies and hospitals in their respective local markets. Our Subsidiaries benefit from our technology infrastructure, manufacturer relationships, central procurement support and banking relationships. This helps the Subsidiaries to grow their business and increase their market share in their respective local markets. Further, we also engage in the marketing of third-party brands and sale of our private label brands at a national level (a part of such sales is to our Subsidiaries and inter-company revenues are eliminated at a consolidated level).

The following table sets forth details relating to revenue from our Subsidiaries, for the periods/years indicated:

Particulars	For the six months ended September 30,		For the year ended March 31,		
	2023	2022	2023	2022	2021
Revenue from our Company (₹ in millions)	1,350.14	725.13	1,776.90	1,372.86	1,048.68
Revenue from our Subsidiaries (₹ in millions)	19,261.35	15,771.13	32,699.28	25,098.13	17,983.48
<b>Total revenue from our Company and Subsidiaries (pre-elimination) (₹ in millions)</b>	<b>20,611.48</b>	<b>16,496.27</b>	<b>34,476.18</b>	<b>26,470.99</b>	<b>19,032.15</b>
Intra-group transactions* (₹ in millions)	(1,656.47)	(656.59)	(1,474.11)	(1,250.33)	(1,234.78)
<b>Revenue from operations (₹ in millions)</b>	<b>18,955.01</b>	<b>15,839.68</b>	<b>33,002.07</b>	<b>25,220.65</b>	<b>17,797.37</b>
<b>Revenue from our Subsidiaries as a percentage of revenue from operations (₹ in millions)</b>	<b>93.45%</b>	<b>95.60%</b>	<b>94.85%</b>	<b>94.81%</b>	<b>94.49%</b>

\*Intra-group transactions include eliminations of intra-group transactions and pre-acquisition revenues.

A list of operating and financial metrics as at / for the Financial Years ended March 31, 2021, 2022 and 2023, and the six months ended September 30, 2022 and 2023 is set out below:

Metric	Unit	As at / For the six months ended September 30,		As at / For the Financial Year ended March 31,		
		2023	2022	2023	2022	2021
Customers (Retail) <sup>(1)</sup>	(Number)	73,700+	65,000+	81,400+	64,200+	39,500+
Customers (Hospital) <sup>(2)</sup>	(Number)	2,800+	2,400+	3,400+	2,500+	1,600+
SKUs handled <sup>(3)</sup>	(Number)	63,900+	59,000+	64,500+	56,500+	44,400+
Pharmaceutical and healthcare companies whose products have been billed <sup>(4)</sup>	(Number)	1,900+	1,700+	1,900+	1,700+	1,100+
Districts covered <sup>(5)</sup>	(Number)	501	471	495	463	420
Warehouses <sup>(6)</sup>	(Number)	77	71	74	60	44
Warehouse Area <sup>(7)</sup>	(Square feet)	464,112	433,238	430,556	408,924	312,783
Employees <sup>(8)</sup>	(Number)	3,181	3,018	3,041	2,875	2,141
Average Sales per Month per Customer <sup>(9)</sup>	(₹)	37,532	36,889	30,143	29,213	32,801
Revenue Growth <sup>(10)</sup>	(%)	19.67%	NA	30.85%	41.71%	31.87%
Gross Profit <sup>(11)</sup>	(₹ in million)	1,691.57	1,286.76	2,683.42	2,096.28	1,415.97
Gross Profit Margin <sup>(12)</sup>	(%)	8.92%	8.12%	8.13%	8.31%	7.96%
EBITDA <sup>(13)</sup>	(₹ in million)	543.66	250.28	640.07	244.38	215.45
EBITDA Margin <sup>(14)</sup>	(%)	2.87%	1.58%	1.94%	0.97%	1.21%
Unit EBITDA Margin <sup>(15)</sup>	(%)	4.09%	3.78%	3.74%	3.72%	3.46%
Restated Profit for the Period/Year <sup>(16)</sup>	(₹ in million)	116.42	(108.57)	(111.04)	(294.39)	(153.54)
Profit after Tax Margin <sup>(17)</sup>	(%)	0.61%	(0.69)%	(0.34)%	(1.17)%	(0.86)%
Net Working Capital Days <sup>(18)</sup>	(Number)	67	64	63	69	74
ROCE <sup>(19)</sup>	(%)	5.17% <sup>(21)</sup>	2.13% <sup>(21)</sup>	6.05%	1.49%	1.88%
ROE <sup>(20)</sup>	(%)	2.54% <sup>(21)</sup>	(2.61)% <sup>(21)</sup>	(2.66)%	(7.35)%	(4.23)%

Notes:

- (1) Customers (Retail) refer to the number of “trade”, “retail” or “healthcare practitioners” customers with one or more billed invoice during the period.
- (2) Customers (Hospital) refer to the number of “hospitals” or “nursing homes” customers with one or more billed invoice during the period.
- (3) SKUs handled refer to the number of unique SKUs that have been billed by us during the period. Examples of SKUs include pharmaceutical SKUs, fast moving consumer goods SKUs and surgicals / consumables SKUs.
- (4) Pharmaceutical and healthcare companies whose products have been billed refers to the number of pharmaceutical and healthcare companies whose products were billed by us during the period.
- (5) Districts refer to the number of districts where one or more customers have been billed during the period. Districts are mapped based on the pincode mentioned in the customer’s address field.
- (6) Warehouses refer to the number of active warehouses (with a unique drug license) with one or more products billed from that warehouse.
- (7) Warehouse area refers to the total square footage of area across all our active warehouses.
- (8) Employees refer to the number of employees that are on our Company or our Subsidiaries’ payroll as on March 31 of the respective Fiscal.
- (9) Average sales per month per customer refers to the Restated revenue from operations for the period/year divided by 6/12 and total number of customers.
- (10) Revenue growth is calculated as growth in revenue for the relevant period/year as compared to the corresponding previous period/year.
- (11) Gross profit is calculated as revenue from operations reduced by purchase of stock-in-trade and changes in inventories of stock-in-trade.
- (12) Gross profit margin is calculated as gross profit divided by revenue from operations.
- (13) EBITDA is calculated as revenue from operations reduced by purchase of stock-in-trade and changes in inventories of stock-in-trade, employee benefit expense and other expenses.



- (14) EBITDA margin is calculated as EBITDA divided by revenue from operations.
- (15) Unit EBITDA Margin refers to the consolidated EBITDA % of individual standalone distributor entities.
- (16) Restated profit for the year is calculated as Total income reduced by Total expenses and Total tax expenses.
- (17) Profit after tax margin is calculated as Restated profit after tax divided by Total income.
- (18) Net working capital days is calculated by net working capital (which is calculated as current asset (excluding cash/bank or cash equivalents) reduced by current liabilities (excluding short term borrowings)) represented in days sales (grossed up for taxes) during the period. The net working capital days for the six months ended September 30, 2023 and 2022 are annualized figures.
- (19) ROCE is calculated as EBIT (which represents the sum of profit before tax and Interest expenses) divided by average capital employed (calculated as the sum of opening capital employed and closing capital employed, and then divided by two) during the period. Capital employed is calculated as the sum of tangible net worth, borrowings and deferred tax liability. Tangible net worth is the sum of total equity (including Non-controlling interest) reduced by goodwill, other intangible assets and intangible assets under development.
- (20) ROE is calculated as Restated profit after tax divided by Average Tangible Net Worth. Tangible net worth is the sum of total equity (including Non-controlling interest) reduced by goodwill, other intangible assets and intangible assets under development. Average tangible net worth is calculated as the sum of opening tangible net worth and closing tangible net worth and then divided by two.
- (21) Not annualised

## **Our Competitive Strengths**

### ***We operate in the large and highly fragmented Indian healthcare products distribution market and expect to benefit from market consolidation***

According to the CRISIL Report, the target addressable market for pharmaceutical distributors in India is valued at ₹2.7 trillion in the Financial Year 2023 and is expected to grow at 10% to 11% CAGR from the Financial Year 2023 to the Financial Year 2028. According to the CRISIL Report, the distribution of pharmaceutical products in India is extremely fragmented with approximately 65,000 distributors, as of March 31, 2023, that generally service limited local areas only, unlike developed markets where large nationwide distributors occupy a dominant market position. The Indian pharmaceutical distribution market remains very fragmented with traditional local distributors having a market share of 90% to 92%, with large / national distributors having a market share of 8% to 10% (Source: *CRISIL Report*).

According to the CRISIL Report, market consolidation in India's pharmaceutical distribution market is expected to be supported by factors such as introduction of the Goods and Services Tax regime and benefits presented by the consolidation of the segment, such as access to additional capital, better resource management, advantages of scale, procurement and operational efficiencies and management expertise, establishment of a technology-driven country-wide distribution network, better infrastructure, quick turnaround times and high fill rates. According to the CRISIL Report, large / national pharmaceutical distribution players accounted for 8% to 10% share of total distributor sales in Financial Year 2023, and is expected to rise to 20% to 30% by Financial Year 2028. In the developed markets, established pharmaceutical distributors have focused on consolidation and account for a market share of over 90% to 95% of the overall pharmaceutical distribution market in the United States and approximately 95% to 97% in Germany (Source: *CRISIL Report*).

We believe that we will be able to benefit from the market consolidation in India, and continue to expand our business through future strategic acquisitions of local distributors. We also believe that our technology-driven, nation-wide distribution network, relationships with over 1,900 healthcare product manufacturers that gives us access to over 63,900 product SKUs as of September 30, 2023, and experienced and professional management team, position us well to continue to grow the scale of our business in India and take advantage of the shift towards the organized Indian healthcare products distribution market. According to the CRISIL Report, distributors are able to increase their market reach in a comparatively shorter period of time by growing inorganically, as compared to pharmacy retailers that usually require comparatively more time to scale as they need to increase store count.

### ***We are one of India's largest and fastest growing healthcare products distribution platforms***

Having commenced our business in 2018, we are amongst the top three healthcare products distributors in India in terms of revenue in Financial Year 2022, and reported an operating income of ₹25,220.65 million in Financial Year 2022 (Source: *CRISIL Report*). Further, we also achieved the fastest scale-up of operations among healthcare products distributors in India (between Financial Year 2019 to Financial Year 2022), and reached ₹25,000 million of operating income within four years of operations (Source: *CRISIL Report*). During the Financial Years 2021, 2022 and 2023, and for six months ended September 30, 2023, our retail customers amounted to over 39,500, 64,200, 81,400 and 73,700, respectively, and our hospital customers amounted to over 1,600, 2,500, 3,400 and 2,800, respectively.

We have developed a technology-driven, scalable business model, with a focus on network expansion, execution, and cost efficiency to enable demand fulfilment in the healthcare industry. We have established a large footprint in the healthcare products distribution business, with relationships with key stakeholders such as healthcare product manufacturers, pharmacies, hospitals and clinics. Further, our B2B ordering application, Entero Direct, is integrated with other third party customer ordering applications, which allows us to seamlessly add customers to our network by providing our customers with visibility of our product range and pricing, which in turn allows them to conveniently place orders through our Entero Direct application .

As of September 30, 2023, through our 77 warehouses (which have an aggregate size of 464,112 square feet) in 38 cities across 19 states and union territories, we have established distribution presence in 501 districts. We have also established supply relationships with more than 1,900 healthcare products manufacturers as of September 30, 2023 that gives us access to over 63,900 product SKUs. The map below sets forth the geographical reach of our distribution network:



Further, our (i) wide range of products offered; (ii) operations aimed at providing high fill rates to our customers; (iii) technology-driven inventory management and order placing mechanism for our customers; (iv) economies of scale advantage; (v) competitive and transparent pricing and (vi) established logistics infrastructure, has and will continue to be critical to our growth in market share.

We offer differentiated value propositions to our stakeholders in the healthcare products ecosystem, including healthcare product manufacturers, pharmacies, hospitals and clinics.

To healthcare product manufacturers, we offer:

- access to a large number of pharmacies, hospitals and clinics throughout the country through a single distributor platform;
- availability of a nationwide healthcare products distribution platform in compliance with the relevant regulations for setting up our warehouses, and logistics services;

- integrated systems and technologies to offer data intelligence and analytics; and
- comprehensive end-to-end healthcare products distribution solutions combined with marketing and promotion capabilities.

To pharmacies, hospitals and clinics, we offer:

- one stop solution for procurement needs, by providing our customers with a diverse spectrum of healthcare products, including pharmaceutical products, nutraceuticals, medical devices, surgical consumables, over-the-counter medicines and vaccines; and
- better retail experience through technology-based solutions such as direct B2B applications and web platforms.

***Track record of inorganic expansion and integration to grow our geographic reach, revenues and scale***

We have endeavoured to take advantage of the market consolidation opportunities available in the Indian healthcare products distribution market. Accordingly, we have adopted a pan-India approach towards acquiring and integrating smaller distributors to expand our geographic reach and increase the wallet share from our customers. Since the inception of our Company in the Financial Year 2018, we have acquired 34 entities in the healthcare products distribution industry. We have an on-ground acquisition team to identify acquisition opportunities in the markets for entry or expansion. Subsequent to the completion of an acquisition, we deploy our growth strategies such as product portfolio expansion, increased customer reach, improved service levels, technology-based solutions to increase our market share. Our established, data and process-driven and well tested acquisition, integration and growth approach is replicable in the existing markets we are present in and in the new geographies that we choose to enter. Given our track record in acquiring and integrating smaller distributors across India, we have been able to continuously attract distributors to become acquired by and integrated with us.

The tables below depict growth in sales for the companies that we acquired since April 1, 2018 over the Financial Years 2021, 2022, 2023:

Sr. No.	Distributor name	Locations	Date of acquisition	Sale of goods during the Financial Year			Sales growth over Financial Year 2021 to Financial Year 2023 (%)
				2021	2022	2023	
				( <i>₹ million</i> )			
1	Novacare Healthcare Solutions Private Limited	Delhi, Mumbai, Gurugram, Hyderabad, Indore, Jaipur, Kolkata, Dehradun, Bengaluru, Chennai, Panchkula, Guwahati	August 9, 2018	2,079.57	2,838.38	2,994.41	43.99%
2	G.S.Pharmaceutical Distributors Private Limited	Mumbai	August 9, 2018	590.09	853.38	966.85	63.85%
3	R S M Pharma Private Limited	Bengaluru	August 14, 2018	1,769.86	2,309.38	2,990.92	68.99%
4	Getwell Medicare Solution Private Limited	Kochi, Kozhikode	December 26, 2018	1,170.78	1,577.13	1,941.64	65.84%
5	Sundarlal Pharma Distributors Private Limited	Mumbai	December 29, 2018	319.37	495.19	321.16	0.56%
6	Chhabra Healthcare Solutions Private Limited	Delhi	January 19, 2019	616.37	639.71	753.6	22.26%
7	Galaxystar Pharma Distributors Private Limited	Mumbai	February 21, 2019	1,327.80	1,798.49	2,121.88	59.80%
8	Avenues Pharma Distributors Private Limited	Bengaluru	April 15, 2019	1,950.34	2,279.44	2,794.27	43.27%
9	Chirag Medicare Solutions Private Limited	Davanagere	May 15, 2019	1,626.49	1,949.73	1,948.10	19.77%
10	Jaggi Enterprises Private Limited	Delhi	May 20, 2019	725.18	1015.76	1,105.75	52.48%
11	Chethana Healthcare Solutions Private Limited	Kalaburagi	May 29, 2019	363.42	477.73	463.18	27.45%

Sr. No.	Distributor name	Locations	Date of acquisition	Sale of goods during the Financial Year			Sales growth over Financial Year 2021 to Financial Year 2023 (%)
				2021	2022	2023	
				(` million)			
12	Vasavi Medicare Solutions Private Limited	Coimbatore, Madurai	May 31, 2019	538.12	774.62	1,013.07	88.26%
13	SVMED Solutions Private Limited	Vijayawada, Rajahmundry, Tirupati	June 12, 2019	637.44	929.43	904.79	41.94%
14	Chethana Pharma Private Limited	Davanagere	August 6, 2019	1,597.89	1,955.49	1,972.76	23.46%
15	Millennium Medisolutions Private Limited	Gurugram	August 7, 2019	980.11	1,318.29	1,580.72	61.28%
16	Rada Medisolutions Private Limited	Chennai	August 21, 2019	474.82	587.65	684.54	44.17%
17	Sesha Balajee Medisolutions Private Limited	Visakhapatnam	January 13, 2020	434.22	695.98	722.38	66.36%
18	Barros Enterprises Private Limited	Goa	March 2, 2020	517.19	569.31	617.79	19.45%
19	Sree Venkateshwara Medisolutions Private Limited	Hyderabad	August 6, 2020	21.92	107.03	221.64	911.13%
20	CPD Pharma Private Limited	Chennai	September 14, 2020	186.76	166.78	121.59	(34.90)%
21	Calcutta Medisolutions Private Limited	Kolkata	January 1, 2021	3.60	51.30	132.54	3,581.67%
22	Western Healthcare Solutions Private Limited	Kollam	April 1, 2021	-	732.87	964.78	NA
23	Atreja Healthcare Solutions Private Limited	Karnal	April 14, 2021	-	132.21	181.03	NA
24	City Pharma Distributor Private Limited	Mysuru	April 14, 2021	-	76.17	87.51	NA
25	New Siva Agencies Private Limited	Chennai	December 2, 2021	-	106.46	318.96	NA
26	New RRPD Private Limited	Chennai	December 3, 2021	-	84.41	230.93	NA
27	Swami Medisolutions Private Limited	Amritsar	December 21, 2021	-	36.90	185.16	NA
28	Sri Parshva Pharma Distributors Private Limited	Bengaluru	February 1, 2022	-	230.47	1,705.84	NA
29	Sri Rama Pharmaceutical Distributors Private Limited	Hyderabad	March 1, 2022	-	16.77	1,630.00	NA
30	Saurashtra Medisolutions Private Limited	Vadodara	May 1, 2022	-	-	272.43	NA
31	SVS Lifesciences Private Limited	Raipur	June 24, 2022	-	-	206.07	NA
32	S.S. Pharma Traders Private Limited	Lucknow, Gorakhpur, Prayagraj, Varanasi, Ghaziabad	August 18, 2022	-	-	357.74	NA

### *Differentiated business model offering comprehensive and integrated commercial and supply chain solutions*

Through our expansive nationwide distribution network, well-developed integrated technology platforms, coupled with our relationships with retail pharmacies and hospitals, trained sales force and experienced business support teams (including marketing, branding, supply chain and finance teams), we are able to offer a variety of opportunities for brands to expand their footprint in India in a cost-efficient manner. Further, we are in a position to benefit from synergies, and complement our distribution services with marketing and promotion offerings with healthcare product manufacturers to not only distribute but also market and promote their brands to provide better access to medicines for patients in India. For example, in June 2020, we entered into an agreement with Roche Products (India) Private Limited for rights of promotion, marketing and distribution of its four nephrology drugs in India.

We provide engagement opportunities to healthcare product manufacturers to connect with retail pharmacies and hospitals within our network, by allowing them to leverage our technology, customer connect applications and sales force to communicate their products and brand propositions to these retail pharmacies and hospitals. Apart from pharmaceutical products, we also offer nutraceutical, over the counter medical products, vaccines, medical

devices and consumables including our private label products such as nebulizers, digital thermometers, blood pressure monitors and adult diapers to pharmacies, hospitals and clinics. Further, we also assist healthcare product manufacturers to optimize their sales performance, by providing them with secondary sales data on a timely basis, an overview of their brand performance, as well as customer insights at a micro market level. As a result, our comprehensive and integrated commercial and supply chain solutions which is offered at a pan India level allows us to develop deep and strategic engagements with various healthcare product manufacturers.

### ***Proprietary technology platform with integrated business intelligence tools and solutions***

To grow our operations and bring efficiencies in the healthcare products distribution ecosystem, we have adopted a technology-focused approach which is anchored on our proprietary integrated technology platforms and business intelligence tools and solutions. We believe that significant inefficiencies and redundancies, including during product ordering, sales, payments, product returns, claims and reconciliations and inventory management, can be improved by digitizing supply chain processes which would benefit the entire healthcare ecosystem. To further this strength, we have made continuous investments towards enhancing our technology platform. For example, we invest in technology at all of our distribution warehouses to enhance fulfilment rates, reliability and product availability. For the Financial Years 2021, 2022 and 2023, and the six months ended September 30, 2023, our investments towards enhancing our technology platform amounted to ₹64.52 million, ₹107.64 million, ₹95.96 million and ₹37.68 million, respectively. The Entero Direct application provides a single-interface platform to pharmacies, hospitals and clinics with visibility in real time of our products, inventory, pricing and promotional offers, and their credit status. Pharmacies can place orders directly, track the status of their orders, make online payments and arrange for returns and claim settlements. Further, healthcare product manufacturers can use our platform to display their products and run promotional offers to increase visibility and promote their brands. We also run loyalty programmes on the Entero Direct platform to increase our wallet share from pharmacies and improve pharmacy retention. Through Entero Direct, healthcare product manufacturers are also able to customize offers to boost customer engagement and increase market reach with our AI-based analytics. Further, through Entero Direct, our sales force are also able to plan their customer visits, access live inventory levels, view running offers, promotions and other relevant customer information before assisting customers to place an order. As of September 30, 2023, Entero Direct had over 7,700 active users, with sales on Entero Direct aggregating to ₹2,571.88 million for the six months ended September 30, 2023.

We also have other technology platforms such as Entero ERP system, data warehouse and business intelligence tool (Teqtic), and CRM application. Through Teqtic, we are able to harmonise the product codes across all our warehouses and capture generic names and product details, as well as obtain a nationwide overview of all of our brand and category wise sales across customers, inventory data and other information. This data is used to generate trends and analytics for our decision making purposes. The Entero ERP system facilitates the flow of information among various functions of our organisation. The key features of the Entero ERP system are in areas such as regulatory compliance, inventory and material management, sales, promotion management and accounting. The CRM application is our customer relationship management tool that manages and analyses our interactions with customers, in order to increase customer retention and wallet share. For details, see “ – ***Description of our Business – Technology***” on page 194.

We have also developed comprehensive business intelligence tools that evaluate and analyse sales data collated from our nation-wide distribution network. With the data collected from our customer base, we are able to provide healthcare product manufacturers with timely secondary sales and inventory data and market insights on sales in a micro market, thereby enabling them to better plan their sales strategies and incentivize sales force. Healthcare product manufacturers can utilise these data analytics tools in connection with initiatives such as product placement and launches, channel marketing opportunities and sales force effectiveness.

Through such data-based tools, we are able to carry out data-based forecasting of stock demand, aimed at providing better fill rates and inventory management. The business intelligence tools further help us optimize our internal operations such as enhancement of the performance and productivity of our sales and delivery teams, planning, tracking and optimizing inventory levels, procurement efficiencies and review of our performance indicators. Further, through our integrated technology applications, we have been able to establish a “hub and spoke” model by connecting our warehouses and supply points across districts, in order to scale our footprint in new cities in a capital and cost-efficient manner. Through this model, our warehouses in large cities act as hubs for smaller warehouses (which function as spokes) in smaller cities / regions.

***Experienced, committed and qualified founding and professional management team with deep industry expertise and backed by healthcare focused investor***

Our business and operations are led by a well-qualified, experienced and capable management team, which comes from diverse backgrounds and various fields of expertise such as healthcare, business, finance and technology and under whose leadership we have grown rapidly since the commencement of our business operations in 2018.

Our co-founder, Promoter, Managing Director and Chief Executive Officer, Prabhat Agrawal, is a qualified chartered accountant from the Institute of Chartered Accountants of India and is a Chartered Financial Analyst with the Institute of Chartered Financial Analysts, USA and holds a master's degree in management from Indian School of Business, Hyderabad. He was previously Chief Executive Officer of Alkem Laboratories Limited before co-founding our Company. Similarly, our co-founder, Promoter, Whole-time Director and Chief Operating Officer, Prem Sethi, has a bachelor's degree in pharmacy from Rajiv Gandhi University of Health Sciences, Karnataka and a master's diploma in Clinical Research and Pharmacovigilance from James Lind Institute, Karnataka. He has previously worked with IQVIA Consulting and Information Services India Private Limited as Director – Offering Development and Product Management.

Further, our Key Managerial Personnel and Senior Management collectively have 85 years of work experience in pharmaceutical marketing, healthcare supply chain, consumer and other sectors. CV Ram is the Group Chief Financial Officer of our Company. He obtained his bachelor's degree in commerce from Pondicherry University. He is also an associate member of the Institute of Chartered Accountants of India. He has more than 26 years of experience, including over 11 years of experience in the healthcare industry. Jayant Prakash is the Vice President - General Counsel, Company Secretary and Compliance Officer of our Company. He obtained a bachelor's degree in corporate secretaryship from Pondicherry University, a bachelor's degree in law from Delhi University and a master's degree in business administration from the Institute of Chartered Financial Analysts of India University, Tripura. He also holds an advanced diploma in computer integrated management (finance and accounts) from First Computers, Patna and is fellow member of the Institute of Company Secretaries of India. He has more than 18 years of experience. Further, Sambit Mohanty is the President-Institutional Business of our Company. He obtained his master's diploma in Business Finance (PGDBF) from Indian Institute of Finance, New Delhi. He has more than 24 years of experience. Shashwat Nigam is the Vice President - Head Retail Pharma Business of our Company. He holds a bachelor's degree of Technology in Mechanical Engineering from Banaras Hindu University, Varanasi and a master's degree in management, from Indian School of Business, Hyderabad. He has more than 16 years of experience.

Our Board of Directors bring understanding of the healthcare industry and finance operations in India. We have a capable and professional management team who have deep experience in retailing of healthcare products, sales to hospitals, marketing and sales of healthcare products and devices, supply chain operations and finance. Our board of directors and our experienced management team positions us well to expand our business and capitalize on future growth opportunities. Our Company's shareholders includes OrbiMed Asia III Mauritius Limited, a healthcare-focused fund, which has provided us continuous support through our growth in business. For details, see "*Our Management*" beginning on page 250.

## **Our Strategies**

### ***Benefit from healthcare products distribution market consolidation with strategic acquisitions***

Since the inception of our Company in the Financial Year 2018, we have acquired 34 entities in the healthcare products distribution industry. We intend to further supplement our organic growth with strategic acquisitions of regional and local distributors with strong branding, market position and growth potential in markets where we either do not have a presence or intend to consolidate market share. When evaluating acquisition targets, we take into account a number of factors such as the size of the market where the target company operates, their customer base and catchment area, supplier relationships, product portfolio, synergies with our existing network, historic financial performance and future opportunities for growth.

According to the CRISIL Report, market consolidation is expected in India's pharmaceutical distribution market. In light of this opportunity, we seek to actively explore expansion opportunities through strategic acquisitions of regional and local distributors to, among others:

- consolidate our position in markets in which we currently operate;
- enter and grow in synergistic product adjacencies; and
- enter new geographies.

Given our market position and track record of acquisitions and integration of acquired entities and in-depth industry experience, we believe we are well positioned to take advantage of the expected consolidation opportunities. Currently, we have a pipeline of 17 acquisitions (where non-binding term sheets have been signed) across 14 locations.

***Strengthen market position through increases in customer base, wallet share and geographic penetration***

We intend to grow sales through our existing distribution network, taking advantage of the low penetration of scaled up and efficient healthcare products distribution platforms and strengthen our market position by (i) increasing our customer base through the addition of new pharmacies, hospitals and clinics in both existing and new territories, (ii) expanding our geographic reach through a “hub and spoke” model which connects our warehouses and supply points across districts, (iii) increasing wallet share from existing pharmacies and hospitals by offering larger product portfolios, deeper customer engagement through technology and digital solutions, and (iv) offering procurement efficiencies and economies of scale advantages. As such, we believe that there is significant opportunity for growth of our existing distribution network.

We plan to replicate the success we have had in our key operating cities (i.e. cities that contribute to a significant portion of our revenue) such as Bengaluru, Mumbai, Delhi National Capital Region, Cochin and Vizag, in cities that we have penetrated but have yet to become the leading healthcare products distribution platform, as well as across other cities, states and union territories that we have not currently penetrated.

***Pursue comprehensive marketing and distribution collaborations with healthcare product manufacturers***

Based on the synergies between our distribution network, our pharmacy and hospital reach, our established relationships with healthcare product manufacturers and our marketing and promotion capabilities, we intend to pursue more opportunities in the future for offering integrated commercial solutions including sales, marketing, promotion and supply chain to pharmaceutical and healthcare brands that intend to expand their reach and footprint in the Indian market. With our trained sales force and experienced business support team including marketing, branding, supply chain and finance, we continue to offer a diverse range of customized solutions for brands to expand their footprint and patient access in India that best suit their requirements leveraging cost and resources in an efficient way.

***Expand our product adjacencies, private label and service offerings***

While we continue to grow our distribution capabilities, we also concurrently focus on broadening the range of our offerings (both products and services) to our existing and growing customer base. While we currently offer mostly pharmaceutical products, we intend to expand our product adjacencies to cover a wider range of healthcare product categories that are synergistic additions to our current business. Further, we intend to leverage our existing customer base, market knowledge, distribution and delivery infrastructure, geographic reach and product manufacturer relationships, to enter and grow into adjacent product categories that can be sold to pharmacies and hospitals.

We intend to expand our portfolio of pharmaceuticals, nutraceuticals, generic medicines, medical devices, surgical consumables, diagnostic consumables, hospital capital equipments and OTC that are sold in pharmacies and hospitals, in order to provide us with better sales synergies. According to the CRISIL Report, for medical consumables and devices, the channel margin (inclusive of distributors and retailers) ranges between 1.5 to 2.0 times the channel margin for pharmaceutical products. We also intend to launch and grow our private label products and brands by leveraging our distribution strength and customer connect in product categories including medical devices, surgical consumables and any other medical products, that are appropriate product market fit.

In addition, we also intend to broaden our service offerings through our “HealthEdge” platform. We intend to offer technology driven CRM, inventory management, procurement and other digital solutions under our “HealthEdge” platform to unorganized pharmacies, thereby helping them to compete effectively and increase their sales and optimize their costs and inventory using digital solutions provided by us. We believe that with our enhanced and value added service offerings we can increase our wallet share with pharmacies and also enrol more pharmacies as our customers.

***Continue to invest in and leverage our technology, scale and synergistic adjacencies to drive efficiencies and profitability***

We intend to increase our customer reach, customer retention and customer wallet share through continued investment in our technology infrastructure, including investing in and enhancing our Entero Direct application, ERP systems, CRM application, Teqtic data warehouse and other technological developments to support our customers and our operations. We believe that through digitization and technological integration with our customers, we are able to offer our customers cost efficiencies, inventory optimization and improved customer interactions, which will in turn allow us to grow our customer base, improve customer retention and increase customer wallet share.

We expect that leveraging our technology infrastructure to further optimize our operations, including operations relating to warehousing, logistics, sales operations, inventory and receivables management, will bring greater cost efficiency, productivity and transparency. We believe that our increased investment in technology, along with our growing scale of operations, synergistic higher margin product adjacencies, and private label and operational efficiencies will drive profitability and improve margins.

## **Description of Our Business**

Our primary line of business is in the distribution of healthcare products to retail pharmacies, hospitals and healthcare clinics in India. Our ancillary lines of business are: (i) the provision of comprehensive and integrated commercial solutions, including sales, marketing and supply chain solutions to pharmaceutical companies and healthcare product manufacturers; and (ii) the sale of private label products and medical devices under our private label, Entero Surgicals.

### ***Healthcare products distribution***

We provide distribution and logistics services for healthcare products to retail pharmacies, hospitals and healthcare clinics in India. Such products are sourced by us from healthcare product manufacturers, and sold to pharmacies, hospitals and clinics at margins over the cost of the products. The product range offered by us covers pharmaceutical products, medical devices, surgical consumables, OTC, nutraceuticals and vaccines. As part of our healthcare products distribution services, we purchase our products in bulk from healthcare product manufacturers, and subsequently curate and offer a diverse product portfolio to retail pharmacies, hospitals and healthcare clinics based on their requirements, through our nationwide distribution network.

We supply healthcare products to our customers based on their orders which are placed through our Entero Direct application or other order-taking applications, or which have been communicated through our salesmen or call center representatives. Our customers are onboarded through our ERP system, and a customer profile, which includes relevant customer details such as drug license number, GST numbers, credit limit, credit days and applicable discounts, for each customer is generated.

Our healthcare products distribution channel consists of retail distribution and hospital distribution.

### ***Retail distribution***

Our retail distribution channel involves distributing healthcare products to pharmacies, who then sell these products to end-customers. As of September 30, 2023, we distribute to over 73,700 pharmacies located across 501 districts. We supply a wide range of healthcare products, including pharmaceutical, nutraceutical and OTC products, and medical devices, to pharmacies through our nationwide distribution network, which consists of our delivery fleet, delivery personnel and third-party courier services.

We also provide claim settlements for order returns and expiry returns, where pharmacy customers can return any expired products to us and we will in turn return these expired products to our suppliers based on their return policy.

### ***Hospital distribution***

Through our hospital distribution channel, we distribute healthcare products to hospitals and healthcare clinics across India. As of September 30, 2023, we supply to over 2,800 hospitals located across 255 districts. We supply a wide range of healthcare products, including pharmaceutical and nutraceutical products, vaccines, medical devices such as orthopaedic implants and coronary stents, and hospital consumables such as examination and surgical gloves, syringes, needles and sutures, to hospitals and clinics through our nationwide distribution network, which consists of our delivery fleet, delivery personnel and third-party courier services. We supply



healthcare products to various major private hospital chains in India.

The prices of our healthcare products that we supply to hospitals are typically contractually agreed between the hospitals and our suppliers. We maintain records of prices at which we sell these healthcare products to hospitals to ensure that there is no dispute with our suppliers as to our compliance with the contractually agreed prices under the rate contracts. The rate contract between the hospitals and our suppliers are typically renewed on an annual basis.

#### *Supply chain and distribution platform*

We serve our customers (including pharmacies, hospitals and healthcare clinics) through a geographically diverse network of distribution warehouses in India. As of September 30, 2023, we have 77 distribution warehouses located across 38 cities in 19 states and union territories, developed 464,112 square feet of warehousing space with temperature monitoring systems and modern storage solutions, and staffed with trained manpower to ensure adherence to temperature requirements as per the storage instructions of manufacturers. We are in compliance with the relevant regulations for setting up our warehouses. All of our warehouses that store products governed by the Drugs and Cosmetics Act, 1940 and the rules thereunder, also have the required drug licenses issued by the relevant regulatory authority. These drug licenses are periodically renewed based on the relevant regulatory authority's inspections and satisfaction with our level of regulatory compliance. We provide end-to-end healthcare product distribution solutions including imports, central warehousing, redistribution, last mile delivery and connection with the pharmacies, hospitals and clinics. Through our warehouse application, we are able to monitor the day-to-day activities and productivity at our in-house warehouses.

We invest in technology at all of our distribution warehouses to enhance fulfilment rates, reliability and product availability. For example, we utilise our ERP system to ensure that our inventory records are updated real-time and accurate. Our ERP system is also integrated with our Entero Direct application and other ordering platforms, in order to ensure that we process our orders in a timely manner.

#### *Provision of comprehensive and integrated commercial solutions*

We offer comprehensive and integrated commercial solutions, including sales, marketing and supply chain solutions, to healthcare product manufacturers, for them to expand their reach in the Indian market. We deploy medical sales representatives to promote the healthcare product manufacturer's products to healthcare professionals and doctors, and conduct various medical-related marketing activities to increase the visibility and awareness of their brand. We also manage their supply chain and ensure availability of their brands across pharmacies and hospitals. Further, we also develop and implement marketing strategies, brand promotion programs, regional expansion strategies, pricing and promotion offers, and channel management in order to maximise their reach and access to patients. We have also started providing customized retail channel engagement services through our technology platform and sales network to increase visibility of their brands. In June 2020, we engaged with Roche Products (India) Private Limited for promotion, marketing and distribution of its four nephrology drugs in India.

#### *Private label products*

##### *Brands and product categories*

We sell private label products under our private label, Entero Surgicals. Entero Surgicals comprises brands such as Carent, Entros, Entair, Safent and Glovent. The product categories under our private label products business consist of homecare medical devices, surgical consumables, and rehabilitation products and devices. Our key private label products include nebulizers (sold under our Entair brand), personal protective, hygiene and surgical consumable products (sold under our Safent brand), homecare medical devices (sold under our Carent brand), gloves (sold under our Glovent brand) and mobility equipment (sold under our Entros brand).

Our private label products are manufactured by third party manufacturers that manufacture products with our trademark (including our trade name, trade dress, colour scheme, combination for packaging strips, legends and artwork) pursuant to contracts with us.

##### *Customers*

Our private label products are sold and distributed to retail pharmacies, hospitals and nursing homes across India,

through our own distribution network as well as external distributors.

### ***Our Business Relationships***

#### *Distribution relationships with healthcare product manufacturers for healthcare distribution products*

We have distribution relationships with healthcare product manufacturers. Under these distribution arrangements, we purchase products from the manufacturer in accordance with agreed quality standards, and any defective products are replaced by the manufacturer.

#### *Manufacture and supply agreements with manufacturers of our private label products*

We enter into manufacture and supply agreements with product manufacturers in respect of their manufacturing of our private label products. The prices of the products are determined on a firm order basis. We also determine the maximum retail price for the products. Defective products sold to us are to be replaced by the manufacturer at their own cost. The intellectual property relating to the private label and the brands are retained by us. The products are manufactured with our trademark, including our trade name, trade dress, colour scheme, combination for packaging strips, legends and artwork. The manufacture and supply agreements are typically for three years, and can be terminated with 90 (ninety) days' notice by either party without cause, and or for certain breaches of the agreement by either party, the agreement may be terminated with 30 (thirty) days' notice given to cure the breach. The products supplied to us are required to meet our quality standards and be in compliance with good manufacturing practices.

#### *Agreements for provision of comprehensive and integrated commercial solutions*

We enter into agreements with healthcare product manufacturers to promote and market their products. We deploy manpower and resources for such promotional and marketing activities. We are paid a marketing support fee or additional product margins in connection with our promotional efforts to generate demand and increase awareness for our customers' products. This marketing support fee varies according to the individual product that is being promoted and marketed by us, and the amount of resources that we require for such promotional and marketing efforts.

### ***Technology***

We leverage our technological platforms and solutions to support our healthcare products distribution business.

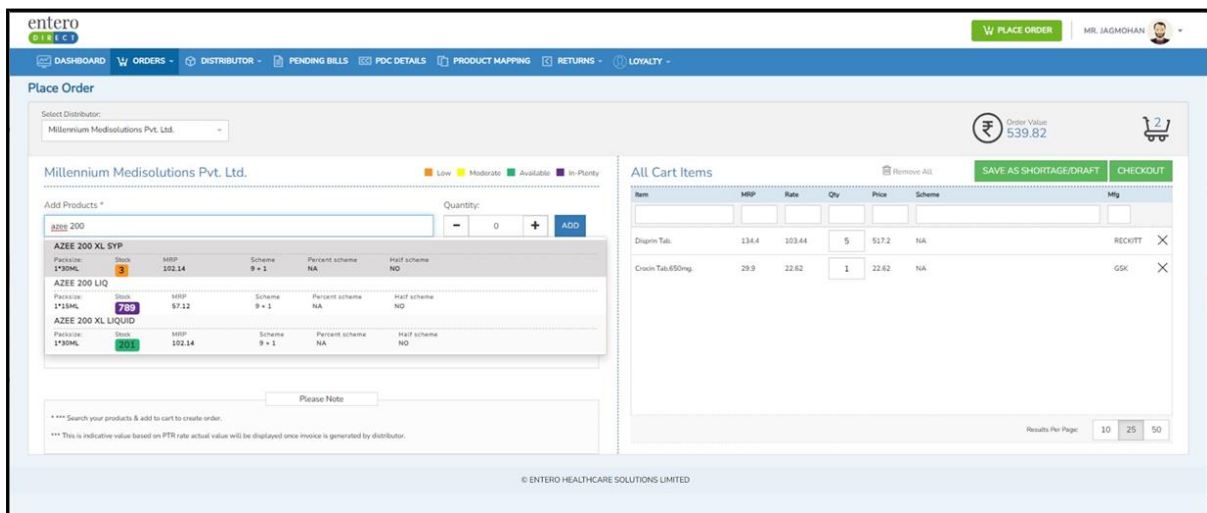
#### *Entero Direct*

Our Entero Direct platform is a cloud-based 'software-as-a-service' solution that allows retailers to order their procurement needs from us. Retailers can use the platform for placing orders, tracking and making payments on the go. The platform provides retailers with order management and tracking, as well as returns and claims settlement processing. This enables retailers to have visibility of the inventory in real-time, as well as check the status of their orders in real-time. The platform also includes loyalty programs for better retention of retailers. Through the platform, we also drive new retailer expansion with limited in-person sales force deployment. Further, through Entero Direct, our sales force are also able to plan their customer visits, access live inventory levels, view running offers, promotions and other relevant customer information before assisting customers to place an order. Our delivery fleet can also use Entero Direct to plan their deliveries and update delivery status on the application.

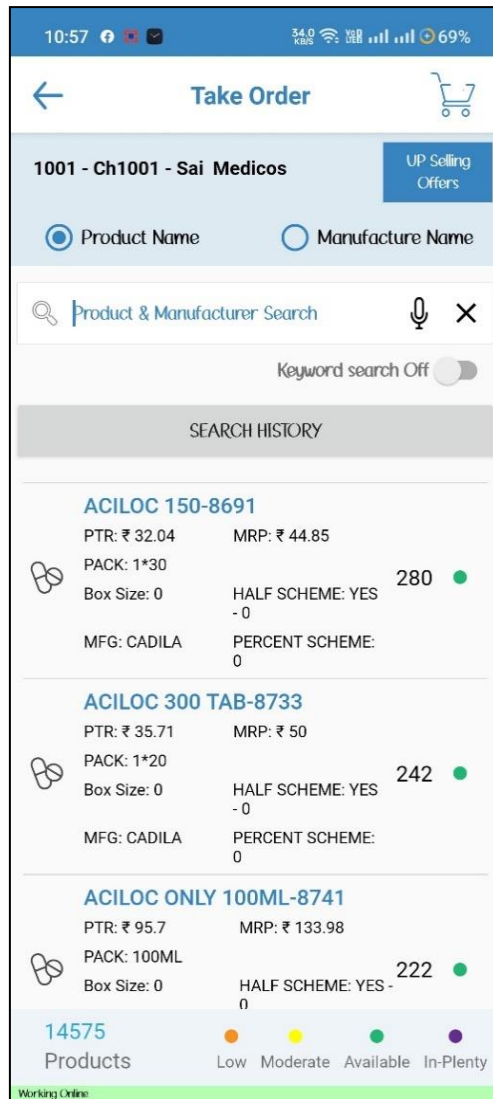
The screenshot below highlights key features of our Entero Direct application:



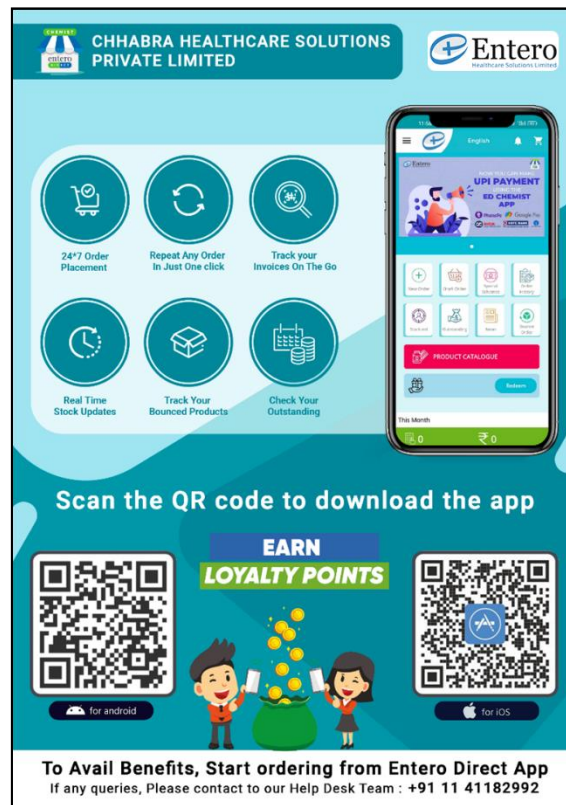
The screenshot below of our Entero Direct website showcases the order placement window:



The screenshot below showcases our Entero Salesman App order placement window (that is accessible by our salesman):



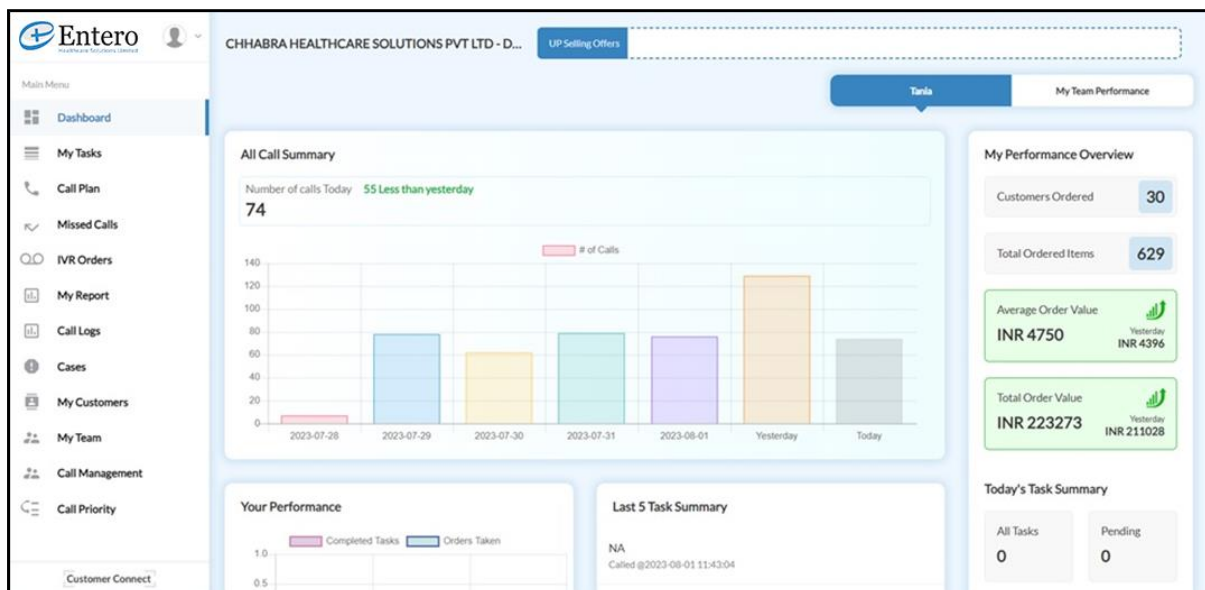
The image below showcases a sample of a loyalty program being offered to our customers:



### Entero CRM

Our Entero CRM application is our customer relationship management tool that manages and analyses our interactions with customers, in order to increase customer retention and wallet share. Through Entero CRM, our call centre executive is able to access customer information such as past billings and outstanding payments while communicating with customers. Our Entero CRM also keeps track of all customer calling schedules (including any missed calls) made on our CRM platform, to ensure robust customer management.

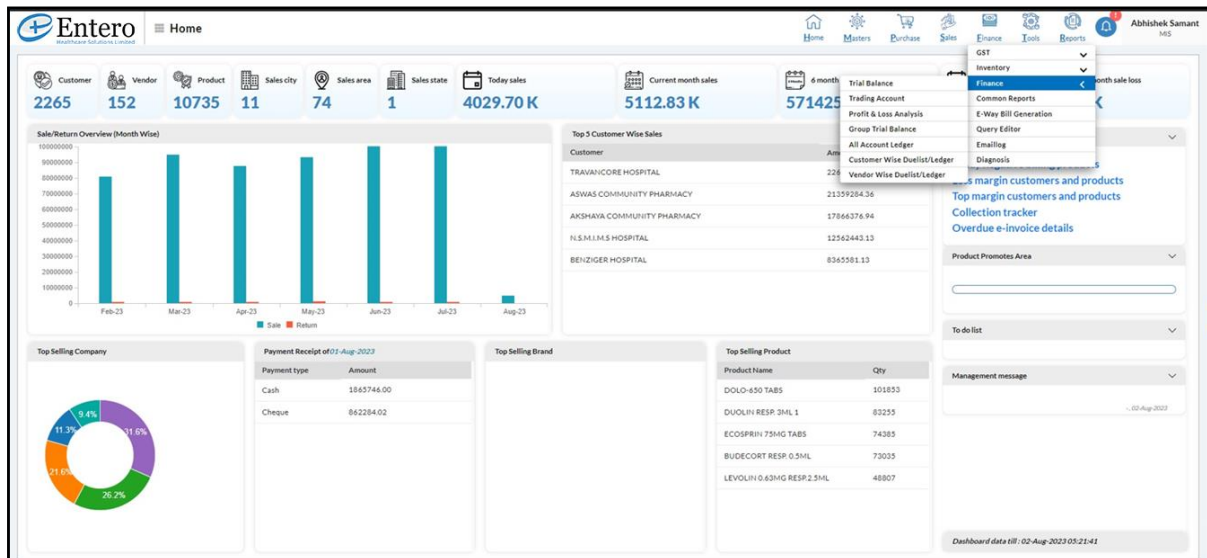
The image below showcases a screenshot of our Entero Direct CRM tool:



## Entero ERP System

We have developed our in-house Entero ERP system, which has been implemented across multiple locations in India. Our Entero ERP system is a cloud-based ERP tool. Some of the key benefits of our Entero ERP system includes (i) seamless integration of data across locations; (ii) complete control over product and customer masters; (iii) enhanced security features such as web application firewalls; (iv) better centralized controls; and (v) lower risk of data loss.

The image below sets forth our Entero ERP homescreen dashboard with a list of selected reports that can be generated:



## Teqtic data warehouse and business intelligence tool

We have developed Teqtic as a data warehouse, business intelligence and data analytics tool to generate customized reports, by using our past customer transactional data and records. Teqtic is a cloud based system which makes it easy for us to roll out updates and new features to all users.

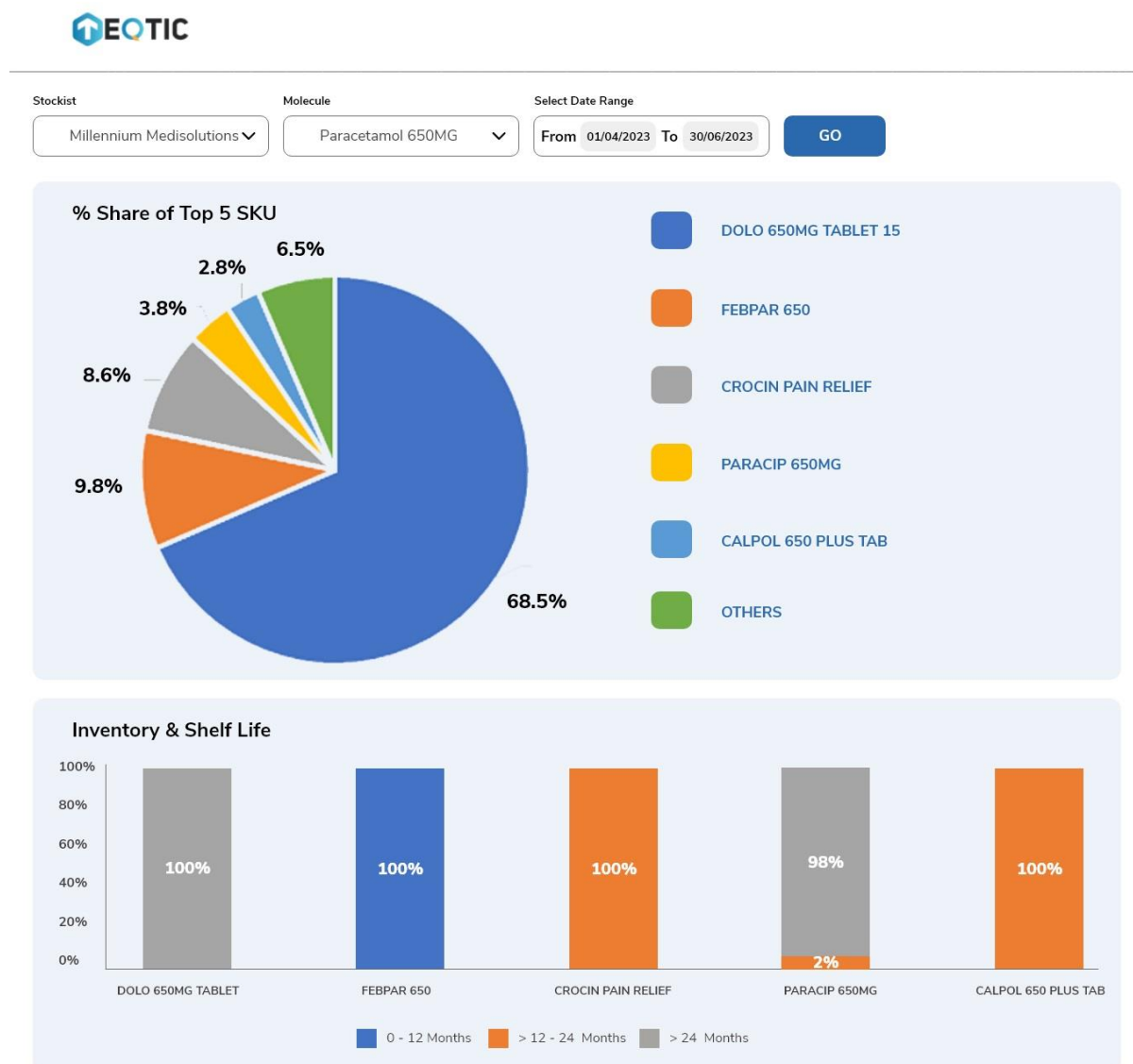
We utilise Teqtic to generate customized reports to monitor, among others, sales, purchases and inventory levels at all of our distributors and warehouses across India. Teqtic is utilized by both us and our external customers. We provide identity-based access control to our customers.

Among the reports that we provide to external customers (mainly pharmaceutical companies) include:

- account wise product wise sales;
- real-time inventory visibility at warehouse locations;
- sales by company division, geography, customer & salesperson; and
- proof of delivery reports.

These reports generated by Teqtic can be customized based on our customer requirements. Our business teams work with our customers to understand their requirements and thereafter customize the reports accordingly.

The image below showcases a screenshot of a Teqtic report for sales and shelf life of available inventory for a specific molecule strength:



### Acquisitions and divestments

We have made acquisitions of other companies in the healthcare sector in the past, such as healthcare products distributors. We integrated our acquisitions into our operations. Our acquisitions of distributors allow us to expand our geographical reach across India, broaden our product portfolio and capture a greater wallet share of customers. We do so by identifying target markets based on market size and competitive intensity. Through our on ground acquisition team with the relevant market intelligence, we engage with available players in those target markets. For further details of our acquisitions and divestments, see “*Our Business — Our Competitive Strengths — Track record of inorganic expansion and integration to grow our geographic reach, revenues and scale*” and “*History and Certain Corporate Matters — Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations or any revaluation of assets, in the last ten years*” on pages 187 and 213, respectively.

### Human Resources

As of September 30, 2023, we had 3,181 employees. None of our employees are represented by a labour union. We have not experienced any work stoppages since our incorporation.



The following table provides a breakdown of our employees by function as of September 30, 2023:

Function	Number of employees (excluding contract employees)	Number of contract employees (through third party contractors)
Warehouse operations	1,588	84
Sales and delivery	957	40
Marketing and promotion	284	0
Support functions at unit level	224	7
Corporate (including technology)	128	0
<b>Total</b>	<b>3,181</b>	<b>131</b>

### ***CSR Initiatives***


Our CSR expenditure was nil, nil, ₹2.27 million, nil and nil, representing nil, nil, 0.01%, nil and nil of our revenue from operations for the Financial Years 2021, 2022 and 2023, and the six months ended September 30, 2022 and 2023, respectively.

### ***Insurance***

Our operations are subject to various risks inherent to the healthcare products distribution industry including loss of inventory or fixed assets due to fire, theft, loss-in-transit for our products, accidents and natural disasters. Our insurance covers, among others, material damage to plant and machinery, furniture, fixtures, fittings and stock. We also maintain a marine cargo open policy that insures transit of commodities by sea, air, rail, road and courier. We also have, amongst others, a group mediclaim policy and directors and officers liability insurance policy.

These insurance policies are generally valid for a term of one year, renewable annually. We believe that the insurance coverage currently maintained by us represents an appropriate level of coverage required to insure our business and operations, and is in accordance with industry standards in India. As of September 30, 2023, the insurance cover on our assets (excluding intangible assets, goodwill, right of use, deferred tax assets and bank balances) was ₹9,585.92 million, covering 79.87% of our total assets (excluding intangible assets, goodwill, right of use, deferred tax assets and bank balances). For further information, see “***Risk Factors – We are subject to operational and logistical risks and our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject.***” on page 59.

### ***Intellectual Property***

We have 102 registered trademarks, out of which a rectification has been filed against one trademark, 15 opposed trademarks, 41 objected trademarks, 10 abandoned trademarks, 20 accepted and advertised trademarks, 2 accepted trademarks and 6 refused trademarks. In respect of trademarks, the registered trademarks in our name include “RENCIBON” (under class 5), “CITOFLO” (under class 5) and the registered trademarks in our Subsidiary’s name include “Curaflo cef” (under classes 5). We have made trademark applications for the logo of our Company (  Entero ) under classes 1, 3, 5, 10, 16 35, 41 and 44. For further details regarding our intellectual property, see “***Government and Other Approvals – Intellectual property approvals***” on page 485.

For risks related to our intellectual property, see “***Risk Factors — Internal Risk Factors — If we are unable to obtain, protect or use our intellectual property rights, our business may be adversely affected.***” on page 60.

### ***Properties and Facilities***

We have entered into lease arrangements for all our warehouses, as well as our Registered Office located at Plot No. I-35, Building - B, Industrial Area Phase - I, 13/7 Mathura Road, Faridabad 121 003, Haryana, India and our Corporate Office located at 605 & 606, 6<sup>th</sup> Floor, Trade Centre Bandra Kurla Complex, Bandra East, Mumbai 400 051, Maharashtra, India. We do not own the property for any of our warehouses or offices. The duration of our leases range from 11 months to nine years.



## KEY REGULATIONS AND POLICIES

*The following description is a summary of certain sector specific laws, regulations, rules, notifications, circulars and policies in India, which are applicable to our Company. The information detailed in this chapter, is based on the current provisions of applicable statutes, rules, regulations, notifications, memoranda, circulars and policies, as amended, and are subject to changes or modifications or future amendments by subsequent legislative, regulatory, administrative or judicial decisions. The information detailed in this section has been obtained from publications available in the public domain. The descriptions of the regulations disclosed below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice.*

Under the provisions of various Central Government and State Government statutes and legislations, our Company is required to obtain and regularly renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. For information regarding regulatory approvals required by our Company, see “Government and Other Approvals” on page 483.

### **Laws in relation to our business**

#### ***Drugs (Control) Act, 1950 (“Drugs Act”)***

The Drugs Act provides for control of sale, supply, and distribution of drugs. Under the Drugs Act, any drug may be declared by the Central Government to be a drug within its purview. The authorities may also prohibit the disposal or direct the sale of any specified drug.

#### ***Drugs and Cosmetics Act, 1940 (the “DCA”), the Drugs and Cosmetics Rules, 1945 (the “DCA Rules”), and the Draft Drugs and Cosmetics (Amendment) Rules, 2018 (the “Draft Rules”)***

The DCA regulates the import, manufacture, distribution and sale of drugs and cosmetics and prohibits the import, manufacture and sale of certain drugs and cosmetics which are, *inter alia*, misbranded, adulterated, spurious or harmful. The DCA Rules specify the requirement of a license for the manufacture or sale of any drug or cosmetic including for the purpose of examination, testing or analysis. It further mandates that every person holding a license must keep and maintain such records, registers and other documents as may be prescribed which may be subject to inspection by the relevant authorities. Vide notification dated December 15, 2020, issued by the Ministry of Health and Family Welfare, the Cosmetic Rules, 2020 provide that the words “and cosmetics” shall stand omitted from the DCA Rules with effect from December 15, 2020.

The Draft Rules include certain provisions for regulation of sale of drug by e-pharmacy. Under the draft rules, the term ‘e-pharmacy’ has been defined as the business of distribution or sale, stock, exhibit or offer for sale of drugs through a web portal or any other electronic mode. The Draft Rules also provide for registration of e-pharmacies and its validity, as well as conditions for registration imposed on the e-pharmacies like location, disclosure of information, procedure for distribution and sale etc. Under the Draft Rules, certain other restrictions have been imposed on the e-pharmacies which include the prohibition of advertisement of any drugs on radio, television, internet, print or any other media for any purpose; and restriction on dealing in narcotic and psychotropic drugs as defined under the Narcotic Drugs and Psychotropic Substances Act, 1985, tranquilizers and the drugs specified in the Schedule X of the DCA Rules. Additionally, monitoring of e-pharmacies, complaint redressal mechanism has been introduced which provides the rights to file a complaint to the state drugs controller or any suspicion of supply of non-standard quality, adulterated or misbranded drugs through the e-pharmacies besides the Consumer Protection Act, 2019.

#### ***The Cosmetic Rules, 2020 (“Cosmetic Rules”)***

The Cosmetic Rules governs the regulatory requirements for the manufacture, testing, labelling, import, registration, distribution, and sale of cosmetics. As per the 2020 Rules, a “new cosmetic” refers to a cosmetic that contains a novel ingredient that has not been used anywhere in the world or is not recognized for use in cosmetics in any national or international literature.

The Cosmetic Rules provide importers of new cosmetic to seek approval by making an application to Central Licensing Authority (CLSA) before registration of import of new cosmetics into India. If the manufacturer or the importer fails to comply with any conditions of the registration, then the CLSA may after giving an opportunity

of being heard regarding why such order should not be passed, can pass an order in writing directing suspension or cancellation of registration for a certain period as it may deem fit either wholly or in respect to some cosmetics.

***Infant Milk Substitutes, Feeding Bottles, and Infant Foods (Regulation of Production, Supply, and Distribution) Act, 1992 (“Infant Milk Substitutes Act”)***

The Infant Milk Substitutes Act provides for the regulation of production, supply, and distribution of infant milk substitutes, feeding bottles and infant foods with a view to the protect and promote breast-feeding and ensuring the proper use of infant foods. The Infant Milk Substitutes Act regulates the marketing and promotional activities of infant food manufacturers, and also regulates production, supply and marketing of such products. It prohibits the supply or distribution of infant milk substitutes or gifts of utensils or other articles, and also prohibits advertisement or publication of any advertisement relating to the distribution, sale or supply of infant milk substitutes, feeding bottles or infant foods. The Infant Milk Substitutes Act provides for imprisonment or fine for breach of the provisions.

***Drugs, Medical Devices and Cosmetics Bill, 2022 (the “Drugs Bill, 2022”)***

In July 2022, the Ministry of Health and Family Welfare, Government of India, released a draft of the Drugs Bill, 2022. The Drugs Bill, 2022 is proposed to amend and consolidate the laws relating to, inter alia, import, manufacture, distribution and sale of drugs and medical devices and cosmetics as well as the law relating clinical trials of new drugs and clinical investigation of investigational medical devices. The Drugs Bill, 2022 lays down the standards of the quality of imported drugs and cosmetics and circumstances under which these would be deemed to be adulterated, spurious and misbranded. Under the Drugs Bill, 2022, the central government has the power to prohibit or restrict or regulate the import of drugs and cosmetics in public interest including to meet the requirements of an emergency arising due to epidemic or natural calamities. Further, it lays down the standards of quality for manufacture, sale and distribution of drugs and cosmetics and clinical trial of drugs. The Drugs Bill, 2022 also proposes establishment of several boards and committees to assist and advise the Central and State Governments in the administration and regulation of drugs, cosmetics and medical devices.

***Drugs (Prices Control) Order, 2013 (“DPCO”)***

The DPCO prescribes *inter alia* the ceiling price of scheduled formulations, retail price of a new drug for existing manufacturers of scheduled formulations, maximum retail price of scheduled formulations. Under the DPCO, the Central Government may issue directions to the manufacturers of active pharmaceutical ingredients or bulk drugs or formulations to increase production and sell such active pharmaceutical ingredient or bulk drug to such manufacturers of formulations and direct the formulators to sell the formulations to institutions, hospitals or any agency. The DPCO specifies procedures for fixing and revising the ceiling price of scheduled formulations of specified strengths or dosages, retail price of new drug for existing manufacturers of scheduled formulations, and penalties for contravention of its provisions.

***The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954 (the “DMRA”)***

The DMRA seeks to control advertisements of drugs in certain cases and prohibits advertisement of remedies that claim to possess magic qualities. In terms of the DMRA, advertisements include any notice, circular, label, wrapper or other document or announcement. It also specifies the ailments for which no advertisement is allowed and prohibits advertisements that misrepresent, make false claims or mislead. Further, the Drugs and Magic Remedies (Objectionable Advertisements) Rules, 1955 have been framed for effective implementation of the provisions of the DMRA.

***The Food Safety and Standards Act, 2006 (the “FSSA”) and regulations framed thereunder***

The FSSA is an integrated food law that lays down standards and guidelines for consumer safety, protection of consumer health and regulation of the food sector. It consolidates the laws relating to food and provides for establishment of the Food Safety and Standards Authority of India (“FSSAI”). The FSSAI is responsible for laying down science-based standards for articles of food and to regulate their manufacture, packaging, storage, distribution, sale, and import, to ensure availability of safe and wholesome food for human consumption and for matters connected therewith or incidental thereto. The FSSA sets out, among other things, the requirements for licensing and registration of food businesses, general principles of food safety and responsibilities of a food business operator and liability of manufacturers and sellers. The FSSAI also lays down general provisions for food additives and processing of articles of food as well.

In exercise of powers under the FSSA, FSSAI has framed, *inter alia*, the Food Safety and Standard Rules, 2011 (“**FSSR**”). The FSSR sets out the enforcement structure of ‘commissioner of food safety’, ‘food safety officer’ and ‘food analyst’ and procedures of taking extracts of books of accounts and other relevant documents, seizure of food articles, sampling of food articles and analysis. The Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011 provide for the conditions and procedures for registration and licensing process for food business.

In an attempt to regulate the activities of the e-commerce Food Business Operators (“**FBOs**”) and to ensure quality and safety of the food and in consumer interests, FSSAI in February 2017 formulated and enforced Guidelines for operations of e-Commerce FBOs pursuant to the Food Safety and Standards (Licensing and Registration of Food Business) Amendment Regulations, 2018 (“**FBO Guidelines**”). The Guidelines lay down mandatory licensing requirements and other responsibilities of an e-commerce FBO, licensing conditions to be adhered to by an e-commerce FBO, as well as standards for hygiene and manufacturing processes to be followed by licensed FBOs engaged in catering/ food-service operations (including food packaging and transportation). Further, an e-commerce FBO (which includes sellers and brand owners who display or offer their food products through e-commerce, and providers of transportation services for the food products and/or providing last mile delivery transportation to the end consumers), is required to obtain central/state license from the concerned central/state licensing authority. The FBO Guidelines are applicable to all e-commerce FBOs that carry on any activity in relation to manufacture, processing, packaging, storage, transportation, distribution and/or import of food, and also includes food services, catering services, sale of food or food ingredients, through the medium of e-commerce. The e-commerce FBOs must comply with, *inter alia*, rules on listing and delisting of FBOs on their platform, display of information regarding food items available for order on their websites as well as expiry dates of pre-packaged food items.

Further, FSSAI has issued guidance note on ‘*Food Hygiene and Safety Guidelines for Food Businesses during Coronavirus Disease (COVID-19) Pandemic*’ (“**Guidance Note**”) with an intent to provide guidance to food businesses, including their personnel involved in handling of food and other employees to prevent spread of COVID-19 in the work environment and any incidental contamination of food/food packages. It, *inter alia*, mandates that employers should have a COVID-19 screening protocol in place to screen all personnel entering the premise. The Guidance Note prescribes guidelines for the management of the food establishment to handle a Covid-19 suspect/positive case in accordance with the guidelines issued by Ministry of Health and Family Welfare and clean and disinfect the premises accessed by the suspected Covid-19 case.

The Guidance Note further mandates strict adherence to General Hygiene Practices specified under Schedule 4 of Food Safety and Standards (Licensing and Registration of Food Businesses) Regulation, 2011 (“**Schedule**”). The Schedule enumerates multiple compulsory measures to be adopted by food business operators in the interest of human nutrition, safety and hygiene.

Further, the Ministry of Health & Family Welfare framed the Food Safety and Standards (Amendment) Bill, 2020, introducing 70 new amendments in the FSSA to alter huge parts of FSSAI functioning and its jurisdiction.

### ***Legal Metrology Act, 2009 (“LM Act”)***

The LM 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. The LM Act and rules framed thereunder regulate, *inter alia*, the labelling and packaging of commodities, verification of weights and measures used, and lists penalties for offences and compounding of offences under it. The Controller of Legal Metrology Department is the competent authority to grant the licence under the LM Act.

Any manufacturer dealing with instruments for weights and measuring of goods must procure a license from the state department under the LM Act. Any non-compliance or violation under the LM Act may result in, *inter alia*, a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases.

### ***Legal Metrology (Packaged Commodities) Rules, 2011 (the “Packaged Commodities Rules”)***

The Packaged Commodities Rules was framed under Section 52(2) (j) and (q) of the Legal Metrology Act and lays down specific provisions applicable to packages intended for retail sale, whole sale and for export and import. A “pre-packaged commodity” means a commodity which without the purchaser being present is placed in a package of a pre-determined quantity. The key provisions of the Packaged Commodities Rules are:

- It is illegal to manufacture, pack, sell, import, distribute, deliver, offer, expose or possess for sale any pre-packaged commodity unless the package is in such standard quantities or number and bears thereon such declarations and particulars as prescribed;
- All pre-packaged commodities must conform to the declarations provided thereon as per the requirement of Section 18(1) of the Legal Metrology Act; and
- No pre-packaged commodity shall be packed with error in net quantity beyond the limit prescribed in the first schedule of the Packaged Commodity Rules.

***Medical Devices Rules, 2017 (“Medical Devices Rules”) and the Medical Devices (Amendment) Rules, 2020***

The Medical Devices Rules governs the registration and licenses by importers and manufacturers of medical devices. It is primarily focused on the quality and safety control to ensure the highest standards assurance of a medical device before they can be distributed / sold in the market. It has been classified according to patient risk in different classes (Class A, B, C & D) to ensure that patients have access to high quality, safe, and effective medical devices, by restricting their access to the unsafe and sub-standard products. The State Licensing Authority (State Drugs Controller) is the competent authority for all matters relating to these devices. It will be entitled to enforce all norms regarding the sale, manufacturer, stock, and any other practice related to Class A and Class B medical devices. The Central Licensing Authority is responsible for providing the required licenses for the import and manufacture of Class C and Class D products. According to the Medical Devices (Amendment) Rules, 2020, the manufacturers or importers of Medical Devices will be required to compulsorily register their medical devices with the Drugs Controller General of India. The Central Licensing Authority may verify the documents at any point of time and investigate quality or safety related failure or complaint. In case the registrant fails to comply with any of the provisions of these rules, it may after giving the registrant an opportunity to show-cause as to why an order for cancellation of registration should not be passed, by an order in writing stating the reasons thereof, cancel the registration number or suspend it for such period as it thinks fit either wholly or in respect of any of the medical devices to which it relates.

***National Pharmaceuticals Pricing Policy, 2012 (the “2012 Policy”)***

The drug policy of 1994 was replaced by the 2012 Policy. The 2012 policy intends to provide the principles for pricing of essential drugs specified in the National List of Essential Medicines – 2011 (“NLEM”) declared by the Ministry of Health and Family Welfare, Government of India and modified from time to time, in order to ensure the availability of such medicines at reasonable price, while providing sufficient opportunity for innovation and competition to support the growth of the industry. The prices would be regulated based on the essential nature of the drugs rather than the economic criteria/market share principle adopted in the drug policy of 1994. Further, the 2012 Policy will regulate the price of formulations only, through market-based pricing which is different from the earlier principle of cost-based pricing. Accordingly, the formulations will be priced by fixing a ceiling price and the manufacturers of such drugs will be free to fix any price equal to or below the ceiling price.

***The Essential Commodities Act, 1955 (the “ECA”)***

The ECA empowers the Central Government, to control production, supply and distribution of, trade and commerce in certain essential commodities for maintaining or increasing supplies or for securing their equitable distribution and availability at fair prices or for securing any essential commodity for the defence of India or the efficient conduct of military operations. Using the powers under it, various ministries/departments of the Central Government have issued control orders for regulating production, distribution, quality aspects, movement and prices pertaining to the commodities which are essential and administered by them. The State Governments have also issued various control orders to regulate various aspects of trading in essential commodities such as food grains, edible oils, pulses kerosene, sugar and drugs. Penalties in terms of fine and imprisonment are prescribed under the ECA for contravention of its provisions.

***Competition Act, 2002 (the “Competition Act”)***

The Competition Act is an act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect the interests of consumers and to ensure freedom of trade in India. The act deals with prohibition of (i) certain agreements such as anti-competitive agreements and (ii) abuse of dominant position

and regulation of combinations. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Competition Act.

The prima facie duty of the Competition Commission of India (“Commission”) is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interests of consumers and ensure freedom of trade. The Commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General (as appointed under Section 16(1) of the Competition Act), he shall be punishable with a fine which may exceed to 100,000 for each day during such failure subject to maximum of 10,000,000, as the Commission may determine.

The Competition (Amendment) Act, 2023 introduces significant changes to the Competition Act in India. It introduces a Deal Value threshold of Rs. 20,000 million for reporting merger and acquisition transactions to the Competition Commission of India (CCI). The time limit for CCI's assessment of mergers and acquisitions is reduced from 210 days to 150 days. The scope of anti-competitive agreements is broadened by replacing "Exclusive supply agreement" with "Exclusive dealing agreement" and now covers the selling side of such agreements. The definition of cartel is expanded to include hubs and spoke arrangements involving trade associates, consultants, or intermediaries. Additionally, the Amendment Act grants the CCI the power to appoint a Director General for more effective enforcement.

### ***Local Municipal Laws***

Our Company is subject to various laws framed by the municipal corporations of the states in which our stores and distribution and packing centres are located, which regulate and require us to obtain licenses for, among others, selling certain kinds of food products, quantity of products which can be stocked, sold and packed and usage of hoardings.

### **Laws relating to Foreign Investment**

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999, as amended, along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, and the consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time (the “**Consolidated FDI Policy**”). For further details, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 534.

### **The consolidated Foreign Direct Investment Policy of 2020 (the “Consolidated FDI Policy”)**

The Department for Promotion of Industry and Internal Trade (“DPIIT”), Ministry of Commerce and Industry on October 28, 2020 issued Consolidated FDI Policy, effective from October 15, 2020. The Consolidated FDI Policy lays down certain guidelines and conditions for foreign direct investment in the e-commerce sector. It defines both inventory based, and marketplace based model of e-commerce entities. Further, it provides that 100% FDI under automatic route is permitted in the marketplace model of e-commerce, while FDI is not permitted in the inventory-based model of e-commerce.

The Consolidated FDI Policy further subsumed regulations relating to inventory control, affiliated sellers, and exclusive arrangements which were introduced under Press Note 2 of 2018 released by the DPIIT on December 26, 2018. To be considered an e-commerce marketplace entity under the Consolidated FDI Policy, marketplaces cannot exercise any direct or indirect ownership or control over the inventory being sold on their platform. An e-commerce platform would be deemed to exercise ‘control’ over a vendor’s inventory, if 25% or more of such vendor’s purchases are from the e-commerce entity or its group companies. If an e-commerce entity is deemed to control the inventory of a vendor, the Consolidated FDI Policy prohibits the vendor from selling their goods on such e-commerce marketplace. Further, the Consolidated FDI Policy states that an entity having equity participation by an e-commerce marketplace entity or its group companies would not be permitted to sell its products on the platform run by such marketplace entity. Additionally, it also requires that an e-commerce marketplace entity would not mandate any seller to sell any product exclusively on its platform.

The Consolidated FDI Policy further provides for cash & carry wholesale trading which means sale of goods/merchandise to retailers, industrial, commercial, institutional or other professional business users or to other wholesalers and related subordinated service providers. Wholesale trading includes resale, processing and thereafter sale, bulk imports with export/ex-bonded warehouse business sales and B2B e-commerce. Except in

case of government, sales made by the wholesaler would be considered as cash & carry wholesale trading with valid business customers only when wholesale trading is made with the entities holding applicable tax registration, entities holding trade licenses under the Shops and Establishment Act issued by the government authority, entities holding permits / licenses for undertaking retail trade from government authorities or local self-government bodies and institutions having certificate of incorporation or registration as a society or registration as public trust for their self-consumption. The Consolidated FDI Policy further provides that wholesale trading of goods would be permitted among companies of the same group, however, wholesale trading to group companies should not exceed 25% of the total turnover of the wholesale venture.

## **Laws relating to Information Technology**

### ***The Information Technology Act, 2000 (the “IT Act”) and the rules made thereunder***

The IT Act seeks to: (i) provide legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information; (ii) facilitate electronic filing of documents; and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act provides for extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information in the interest of sovereignty, integrity, defence and security of India, among other things. The Information Technology (Procedure and Safeguards for Blocking for Access of Information by Public) Rules, 2009 specifically permit the Government of India to block access of any information generated, transmitted, received, stored or hosted in any computer resource by the public, the reasons for which are required to be recorded by it in writing.

The IT Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third-party information liability and creates liability for failure to protect sensitive personal data. The IT Act also prescribes civil and criminal liability including fines and imprisonment for computer related offences including those relating to unauthorized access to computer systems, tampering with or unauthorised manipulation of any computer, computer system or computer network and damaging computer systems, and creates liability for negligence in dealing with or handling any sensitive personal data or information in a computer resource and in maintaining reasonable security practices and procedures in relation thereto, among others.

The IT Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. In exercise of this power, the Department of Information Technology, (“DoIT”) Ministry of Electronics and Information Technology, Government of India, in April 2011, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“IT Security Rules”) which prescribe 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 IT Security Rules require every such body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, ensuring security of all personal data collected by it and publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected, and any third-party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

The DoIT also notified the Information Technology (Intermediaries Guidelines and Digital Media Ethics Code) Rules, 2021 (“IT Intermediary Rules”) requiring intermediaries receiving, storing, transmitting, or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the IT Intermediaries Rules, to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it, as well as specifying the due diligence to be observed by intermediaries.

## **General laws pertaining to compliance to be followed by our Company**

### ***Shops and establishments legislations in various states***

Under the provisions of local shops and establishments legislations applicable in the states in India where our

establishments are set up, such establishments are required to be registered. Such legislations 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 records, maintenance of shops and establishments and other rights and obligations of the employers and employees. These shops and establishments acts, and the relevant rules framed thereunder, also prescribe penalties in the form of monetary fine or imprisonment for violation of provisions, as well as procedures for appeal in relation to such contravention of the provisions.

## **Laws relating to intellectual property**

### ***The Trade Marks Act, 1999 (“Trademarks Act”)***

The Trademarks Act provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement. The Trademarks Act also prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for infringement, falsifying and falsely applying for trademarks.

### ***The Copyright Act, 1957***

The Copyright Act, 1957, along with the Copyright Rules, 2013 (“**Copyright Laws**”) governs copyright protection in India. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Laws acts as prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations. The Copyright Laws prescribe a fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions.

### ***The Patents Act 1970 (“Patents Act”)***

The Patents Act governs the patent regime in India. A patent under the Patents Act is an intellectual property right relating to inventions and grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling and importing the patented product or process or produce that product. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognize product patents as well as process patents. In addition to the broad requirement that an invention must satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria.

## **Consumer Protection Laws**

The Consumer Protection Act, 2019 (“**COPRA 2019**”) repealed the Consumer Protection Act, 1986 and along with the Mediation Act, 2023, provides for a mechanism for the consumer to file a complaint against a service provider in cases of unfair trade practices, restrictive trade practices, deficiency in services, unlawful pricing and serving of food that may be hazardous to life. The COPRA 2019 along with the Consumer Protection (E-Commerce) Rules, 2020 (“**E-commerce Rules**”) also regulate matters relating to consumer rights and false or misleading advertising, and further establish the regulatory authorities where the customers can file complaints for investigation and adjudication. The E-Commerce rules impose obligations on marketplace and inventory ecommerce entities and sellers relating to the conduct of business and disclosure of information. Recently, the Government of India proposed certain amendments to the E-commerce Rules which, if notified, among others, provide for the registration of e-commerce entities and have prescribed certain restrictions in relation to flash sales, listing of related and associated parties as sellers and mis-selling of goods and services.

### ***Consumer Protection (E-Commerce) Rules, 2020 (“E-Commerce Rules”)***

The Ministry of Consumer Affairs issued the E-Commerce Rules under the Consumer Protection Act, 2019 on July 23, 2020. The E-Commerce Rules provide a framework to regulate the marketing, sale and purchase of goods and services online. These rules apply to (a) all good/services bought or sold vide digital or electronic network including digital products; (b) all models of e-commerce, including marketplace and inventory e-commerce entities; (c) all e-commerce retail; and (d) all forms of unfair trade practices across all e-commerce models. The E-Commerce Rules further requires the e-commerce entity to appoint grievance officer and provide for a grievance redressal mechanism. Any violation of these rules attracts action under the Consumer Protection Act, 2019.

## **Laws relating to taxation**

In addition to the aforementioned material legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company including Central Goods and Service Tax Act, 2017, Central Goods and Service Tax Rules, 2017, and various state-wise legislations made thereunder; Integrated Goods and Services Tax Act, 2017; Central Sales Tax Act, 1956 and various state-wise legislations made thereunder; Income Tax Act 1961, Income Tax Rules, 1962, as amended by the Finance Act in respective years; Customs Act, 1962; Importer exporter code; Indian Stamp Act, 1899 and various state-wise legislations made thereunder; and State-wise legislations in relation to professional tax.

## **Labour laws**

In addition to aforementioned material legislations, certain labour laws which may be applicable to our Company due to the nature of the business activities are Contract Labour (Regulation and Abolition) Act, 1970;; Payment of Wages Act, 1936; Payment of Bonus Act, 1965; Employees' State Insurance Act, 1948; Employees' Provident Funds and Miscellaneous Provisions Act, 1952; Equal Remuneration Act, 1976; Payment of Gratuity Act, 1972; Minimum Wages Act, 1948; Employee's Compensation Act, 1923; and Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act and Rules, 2013.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes\*:

- a) Code on Wages, 2019, which regulates and amalgamates wage and bonus payments and subsumes four existing laws namely the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976 received the assent of the President of India on August 8, 2019. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees.
- b) Industrial Relations Code, 2020, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes received the assent of the President of India on September 28, 2020. It subsumes and simplifies the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.
- c) Code on Social Security, 2020, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, inter alia including the Employee's Compensation Act, 1923, Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.
- d) Occupational Safety, Health and Working Conditions Code, 2020\*, which amends and subsumes certain existing legislations, including Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996

*\*The Occupational Safety, Health and Working Conditions Code, 2020, the Code on Social Security, 2020, the Industrial Relations Code, 2020, and the Code on Wages, 2019 have received the President's assent, and will come into force at a date notified by the Central Government. With respect to Code on Wages, 2019, certain provisions of this code pertaining to central advisory board, have been brought into force by the Ministry of Labour and Employment through a notification dated December 18, 2020 and other provisions of this code will be brought into force on a date to be notified by the Central Government.*

## **Other Legislations**

In addition to the above, our company is also compliant with the provisions of the Companies Act, 2013 and the relevant rules, regulations, and orders framed thereunder, the Arbitration and Conciliation Act, 1996, Indian Contract Act, 1872, Sale of Goods Act, 1930, and other applicable statutes imposed by the Centre or the State for its day-to-day operations.



## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

Our Company was incorporated as 'Entero Healthcare Solutions Private Limited' as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated January 10, 2018, issued by the Registrar of Companies, Central Registration Centre, under the administrative control of the Registrar of Companies, Delhi and Haryana at New Delhi. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed in the annual general meeting of our Shareholders held on August 7, 2023, and consequently, the name of our Company was changed to 'Entero Healthcare Solutions Limited', and a fresh certificate of incorporation dated August 25, 2023, was issued by the RoC.

### Changes in the registered office

Our Company was originally incorporated with its registered office at 5220, DLF Phase 4, Gurgaon, Haryana, India – 122009. Details of subsequent change in the registered office of our Company is set as below:

Effective Date	Details of change	Reasons for change
March 22, 2019	Change in registered office of the Company from 5220, DLF Phase 4, Gurgaon, Haryana – 122009 to Plot No. I-35, Building - B, Industrial Area Phase-I, 13/7 Mathura Road, Faridabad, Haryana – 121003	Administrative convenience

The Registered Office of our Company is currently situated at Plot No. I-35, Building - B, Industrial Area Phase-I, 13/7 Mathura Road, Faridabad 121 003 Haryana, India.

### Our main objects

The main objects of our Company as contained in our MoA are:

- “To carry on in India or outside India the business of creating, procuring, manufacturing, sale, distribution marketing, promotion, import, export, retailing for API formulations, chemicals, consumables, pharmaceuticals antibiotics, drugs, medicines, biologicals, nutraceuticals, healthcare, ayurvedic and dietary supplement products, medicinal preparations, vaccines, e-pharmacy, analytics, technologies, softwares, surgical instruments, devices and data services for the health care industry and to establish and run health portal, web sites, medical transcription centres, retail chains, e-commerce, logistics, warehousing and to offer wholesale, retail, ecommerce facilities including discovery, improvement or development of new methods of diagnostic for prevention and treatment of diseases.*
- To undertake, promote or engage in all kinds of research required for health care business including clinical research and development work required to promote, assist or engage in setting up hospitals, health care centres and facilities for manufacturing medical equipment's including purchase, lease or otherwise acquire, establish, maintain, operate, run, manage or administer hospitals, medicare, health care, diagnostic, health aids, and research centres and carry on any other business incidental or ancillary to the attainment of main objects.*
- To carry on the business of stockist, importer, exporter, wholesale distribution of pharmaceutical, medicinal, herbal, bacteriological, contraceptive, therapeutic and biological drugs, whether organic or organic for medical, dental, veterinary hospital, health or personal use.”*
- To carry on the business of stockist, importer, exporter, wholesale distribution of all kinds of ayurvedic, allopathic, antibiotics, unani, homeopathic, siddha medicines, vaccines, cosmetics, chemicals, spray, tonic, baby food, syrup, water and dietary supplement products etc. which are used for treatment, cure and healthcare of human being and animals.*

5. *To carry on the business of exporting, importing and wholesale distribution of all kinds of hospital goods, surgical and scientific equipment, instruments and apparatus.”*

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 MoA**

Set out below are the amendments to our MoA in the last 10 years:

<b>Date of Shareholders' resolution</b>	<b>Nature of amendment</b>
July 17, 2018	Clause V of the MoA was amended to reflect the increase in authorized share capital of the Company from ₹ 1,000,000 divided into 100,000 Equity Shares of ₹ 10 each to ₹ 1,650,000,000 divided into 10,000,000 Equity Shares of ₹10 each, 104,999,900 Series A1 CCPS of ₹ 10 each, 44,999,900 Series A2 CCPS of ₹ 10 each, 2,900,000 Series A3 CCPS of ₹ 10 each, and 2,100,200 Series A4 CCPS of ₹ 10 each. *
July 23, 2018	Clause V of the MoA was amended to reflect the reclassification of 9,750,000 Equity Shares of ₹10 each to 9,750,000 CCPS of ₹ 10 each and to reflect the increase in authorized share capital of the Company from ₹ 1,650,000,000 divided into 10,000,000 Equity Shares of ₹10 each, 104,999,900 Series A1 CCPS of ₹ 10 each, 44,999,900 Series A2 CCPS of ₹ 10 each, 2,900,000 Series A3 CCPS of ₹ 10 each and 2,100,200 Series A4 CCPS of ₹ 10 each to ₹ 1,650,000,000 divided into 250,000 Equity Shares of ₹10 each, 104,999,900 Series A1 CCPS of ₹ 10 each, 44,999,900 Series A2 CCPS of ₹ 10 each, 2,900,000 Series A3 CCPS of ₹ 10 each, and 11,850,200 A4 CCPS of ₹ 10 each.*
January 4, 2019	Clause V of the MoA was amended to reflect the increase in authorized share capital of the Company from ₹ 1,650,000,000 divided into 250,000 Equity Shares of ₹10 each, 104,999,900 Series A1 CCPS of ₹ 10 each, 44,999,900 Series A2 CCPS of ₹ 10 each, 2,900,000 Series A3 CCPS of ₹ 10 each and 11,850,200 A4 CCPS of ₹ 10 each to ₹ 3,650,000,000 divided into 250,000 Equity Shares, 241,499,900 Series A1 CCPS of ₹ 10 each, 103,499,900 Series A2 CCPS of ₹ 10 each, 2,900,000 Series A3 CCPS of ₹ 10 each, and 16,850,200 Series A4 CCPS of ₹ 10 each.
July 18, 2019	Clause V of the MoA was amended to reflect the increase in authorized share capital of the Company from ₹ 3,650,000,000 divided into 250,000 Equity Shares 241,499,900 Series A1 CCPS of ₹ 10 each, 103,499,900 Series A2 CCPS of ₹ 10 each, 2,900,000 Series A3 CCPS of ₹ 10 each, and 16,850,200 Series A4 CCPS of ₹ 10 each, to ₹ 6,000,000,000 divided into 250,000 Equity Shares of ₹ 10 each, 395,499,900 Series A1 CCPS of ₹ 10 each, 169,499,900 Series A2 CCPS of ₹ 10 each, 2,900,000 Series A3 CCPS of ₹ 10 each, and 31,850,200 Series A4 CCPS of ₹ 10 each.
June 11, 2020	Clause V of the MoA was amended to reflect the increase in authorized share capital of the Company from ₹ 6,000,000,000 divided into 250,000 Equity Shares of ₹ 10 each, 395,499,900 Series A1 CCPS of ₹ 10 each, 169,499,900 Series A2 CCPS of ₹ 10 each, 2,900,000 Series A3 CCPS of ₹ 10 each, and 31,850,200 Series A4 CCPS of ₹ 10 each, to ₹ 7,000,000,000 divided into 250,000 Equity Shares of ₹ 10 each, 495,499,900 Series A1 CCPS of ₹ 10 each, 169,499,900 Series A2 CCPS of ₹ 10 each, 2,900,000 Series A3 CCPS of ₹ 10 each, and 31,850,200 Series A4 CCPS of ₹ 10 each.
September 23, 2021	Clause V of the MoA was amended to reflect the increase in authorized share capital of the Company from ₹ 7,000,000,000 divided into 250,000 Equity Shares of ₹ 10 each, 495,499,900 Series A1 CCPS of ₹ 10 each, 169,499,900 Series A2 CCPS of ₹ 10 each, 2,900,000 Series A3 CCPS of ₹ 10 each, and 31,850,200 Series A4 CCPS of ₹ 10 each, to ₹ 7,043,500,000 divided into 4,000,000 Equity Shares of ₹ 10 each, 495,499,900 Series A1 CCPS of ₹ 10 each, 169,499,900 Series A2 CCPS of ₹ 10 each, 3,500,000 Series A3 CCPS of ₹ 10 each, and 31,850,200 Series A4 CCPS of ₹ 10 each.
July 12, 2022	Clause V of the MoA was amended to reflect the increase in authorized share capital of the Company from ₹ 7,043,500,000 divided into 4,000,000 Equity Shares of ₹ 10 each,

Date of Shareholders' resolution	Nature of amendment
	495,499,900 Series A1 CCPS of ₹ 10 each, 169,499,900 Series A2 CCPS of ₹ 10 each, 3,500,000 Series A3 CCPS of ₹ 10 each, and 31,850,200 Series A4 CCPS of ₹ 10 each, to ₹ 8,043,500,000 divided into 4,570,000 Equity Shares of ₹ 10 each, 565,847,000 Series A1 CCPS of ₹ 10 each, 193,564,100 Series A2 CCPS of ₹ 10 each, 3,996,900 Series A3 CCPS of ₹ 10 each, and 36,372,000 Series A4 CCPS of ₹ 10 each.
May 30, 2023	Clause 1 of the Main Objects of the MoA was substituted as follows, to reflect change in objects:  <i>“To carry on in India or outside India the business of creating, procuring, manufacturing, sale, distribution marketing, promotion, import, export, retailing for API formulations, chemicals, consumables, pharmaceuticals antibiotics, drugs, medicines, biologicals, nutraceuticals, healthcare, ayurvedic and dietary supplement products, medicinal preparations, vaccines, e-pharmacy, analytics, technologies, softwares, surgical instruments, devices and data services for the health care industry and to establish and run health portal, web sites, medical transcription centres, retail chains, e-commerce, logistics, warehousing and to offer wholesale, retail, ecommerce facilities including discovery, improvement or development of new methods of diagnostic for prevention and treatment of diseases.”</i>
July 8, 2023	Clause V of the MoA was amended to reflect the increase in authorized share capital of the Company from ₹ 8,043,500,000 divided into 4,570,000 Equity Shares of ₹ 10 each, 565,847,000 Series A1 CCPS of ₹ 10 each, 193,564,100 Series A2 CCPS of ₹ 10 each, 3,996,900 Series A3 CCPS of ₹ 10 each, and 36,372,000 Series A4 CCPS of ₹ 10 each to ₹ 9,743,500,000 divided into 74,570,000 Equity Shares of ₹ 10 each, 565,847,000 Series A1 CCPS of ₹ 10 each, 193,564,100 Series A2 CCPS of ₹ 10 each, 3,996,900 Series A3 CCPS of ₹ 10 each, 36,372,000 Series A4 CCPS of ₹ 10 each and 100,000,000 Series A5 CCPS of ₹ 10 each.
August 7, 2023	Clause 1 of the MoA was amended to reflect the change in name of our Company from “Entero Healthcare Solutions Private Limited” to “Entero Healthcare Solutions Limited” pursuant to conversion of our Company from a private limited company to a public limited company, and references to the Company were accordingly updated in the MoA.

*\*There were certain inaccuracies in the shareholders' resolution and amended MoA filed as attachments to the Form SH-7 for this amendment. We had accordingly filed Form GNL-2 with the RoC, to rectify the errors therein, which have been approved by the RoC. For further details, please see “Risk Factors – We have made certain errors in our form filings in the past, in relation to our capital structure and amendments to our memorandum of association, with the Registrar of Companies.” on page 49.*

### Key awards, accreditations, and recognition

The table below sets forth some of the awards and accreditations received by our Company and our Subsidiaries\*:

Year	Particulars
2021	Our Company received an award for the Best Healthcare Brand of 2021 from Economic Times.
2021	Vasavi Medicare Solutions Private Limited received Sambandh Award 20-21 from Sun Pharma.
2022	Chethana Pharma Private Limited received a certificate of appreciation for a great year of business collaboration by Merck India Healthcare.
2022	Vasavi Medicare Solutions Private Limited was recognised as Maximizer 2022 by Pfizer
2023	Chethana Pharma Private Limited received a certificate of appreciation for its outstanding performance for FY 2022-2023, from Mankind Pharma Limited.
2023	Chethana Pharma Private Limited was recognised for outstanding and dedicated performance for the year 2022-2023 by JB Chemicals.
2022	Vasavi Medicare Solutions Private Limited received a certificate of recognition for winning E Miles 2022 Program from FDC Limited.
2021	Galaxystar Pharma Distributors Private Limited received Sambandh Award 20-21 from Sun Pharma.

Year	Particulars
2021	Millennium Medisolutions received an award for outstanding contribution in the year 2020-21 from Alkem Laboratories Limited.
2023	Millennium Medisolutions Private Limited received a certificate of appreciation for its outstanding performance in FY 2022-2023 from Mankind Pharma Limited.

\*The disclosure above is limited to awards and key recognitions received by such Subsidiaries which have contributed 10% or more to the net-worth, turnover or profit before tax in the consolidated financial statements for FY 2023.

### Major events and milestones

The table below sets forth some of the major events in the history of our Company. For details, also see “Our Business” on page 180.

Calendar Year	Details
2018	Our Company was incorporated in January 2018.
2018	Received investment from OrbiMed Asia III Mauritius Limited and IM Investments Trust.
2018	Acquired Novacare Healthcare Solutions Private Limited, which was our first acquisition.
2019	Crossed monthly turnover of ₹ 1000 million.
2020	Achieved positive EBITDA in our second year of being operational.
2020	Entered into our first promotion, marketing and distribution partnership with Roche Products (India) Private Limited.
2022	Acquired SS Pharma Traders Private Limited, which was our 32 <sup>nd</sup> acquisition.
2023	Acquired Entero R.S. Enterprises Limited and Dhanvanthri Super Speciality Private Limited.

### Time and cost overrun

Our Company has not experienced any time or cost overruns in respect of our business operations, as at the date of this Prospectus.

### Defaults or rescheduling/restructuring of borrowings from Financial Institutions/Banks

Except as disclosed below, no payment defaults or rescheduling/restructuring have occurred in relation to any borrowings availed by our Company from any financial institutions or banks, nor have any such borrowings or loans been converted into Equity Shares:

Our Company had acquired one of its Subsidiaries, CPD Pharma Private Limited (“CPD”) by entering into share purchase agreement dated August 19, 2020, with CPD and its promoters. The promoters of CPD had earlier availed loan facilities amounting to ₹ 48.00 million from IDFC First Bank Limited (“the Bank”) in the name of their partnership firm, M/s. Chennai Pharma Distributors, which were erroneously transferred to CPD. Since the account belonging to CPD had been classified as a non-performing asset prior to the repayment, our Company notified the erstwhile promoters of CPD about the outstanding loan which was subsequently repaid by the erstwhile promoters and their heirs, along with the guarantors to the facilities. CPD also obtained a letter dated February 3, 2023, from the Bank confirming closure of the said account post repayment.

Certain working capital facilities were availed by our subsidiaries, Sessa Balajee Medisolutions Private Limited, SVMED Solutions Private Limited, and Vasavi Medicare Solutions Private Limited from the Bank. By a notice dated June 7, 2023, the Bank alleged that there were material differences in reporting of operating and net profits between the preliminary consolidated annual report and final consolidated annual report. The Bank called it an event of default and required the Company and the subsidiaries to repay outstanding amounts under the facilities within a period of three months. While the Company issued a reply to the aforesaid notice, disputing the declaration of event of default and providing necessary explanations for such differences, the facilities were subsequently repaid within the prescribed time frame.

For further details, see “Risk Factors – Our lenders have imposed certain restrictive conditions on us under our financing arrangements, which may adversely affect our ability to conduct our business and impair our future growth plans” on page 43.

### Lock-out and strikes

As on the date of this Prospectus, there have been no lockouts or strikes at any time in our Company.

***Launch of key products or services, entry in new geographies or exit from existing market***

For details of key products or services launched by our Company, entry in new geographies or exit from existing markets, see “*Our Business*” beginning on page 180.

***Accumulated Profits or Losses***

There are no accumulated profits or losses of any Subsidiaries that are not accounted for by our Company in the Restated Consolidated Financial Information.

***Significant strategic or financial partnerships***

Our Company does not have any significant strategic or financial partner as of the date of this Prospectus.

***Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations or any revaluation of assets, in the last ten years***

Our Company has not made any divestments of any material business or undertaking, and has not undertaken any material mergers, amalgamation or revaluation of assets in the last 10 years immediately preceding the date of this Prospectus. Further, our Company has undertaken 34 acquisitions since its incorporation and except as disclosed below, our Company has not made any material acquisitions in the last 10 years immediately preceding the date of this Prospectus. For the purpose of this disclosure, an acquisition or divestment is material if it falls within the top five acquisitions and divestments based on the total consideration paid for each such acquisition or divestment, as the case may be.

**1. Acquisition of Novacare Healthcare Solutions Private Limited (“Novacare”):**

Pursuant to a share purchase agreement dated July 17, 2018, entered into between our Company, Novacare, R. Kannan and Hema Kannan (collectively, “**the Parties**”), our Company acquired 100% of the shareholding of Novacare, along with a nominee of our Company for a total consideration of ₹ 382.67 million. The total value of assets of Novacare, as on September 30, 2023, was ₹ 1,549.10 million.

**2. Acquisition of Avenues Pharma Distributors Private Limited (“Avenues”):**

Pursuant to a share purchase agreement dated April 4, 2019, entered into between our Company, Avenues, and its promoters, KG Subbaraj, KV Dhanalakshmi, KR Srimathi, KV Usharani. KS Narasamma. KS Sandhya, KV Praveen, and KV Prashanth (collectively, “**the Parties**”), our Company acquired 100% of the shareholding of Avenues, along with a nominee of our Company for a total consideration of ₹ 399.00 million. The total value of assets of Avenues, as on September 30, 2023, was ₹ 844.62 million.

**3. Acquisition of Sri Parshva Pharma Distributors Private Limited (“Sri Parshva”)**

Pursuant to a share purchase agreement dated January 18, 2022, entered into between our Company, Sri Parshva, and its promoters, Dhanraj, Rohan Bhandari, Rajesh Kumar Jain, Sanjeev Kumar Bhandari and Deepchand H. Bhandari (collectively, “**the Parties**”), our Company acquired 100% of the shareholding of Sri Parshva along with our Promoter, Prabhat Agrawal as the nominee of our Company for a total consideration of ₹ 551.78 million. The total value of assets of Sri Parshva, as on September 30, 2023, was ₹ 757.58 million.

**4. Acquisition of Sri Rama Pharmaceutical Distributors Private Limited (“Sri Rama”)**

Pursuant to a share purchase agreement dated January 22, 2022, entered into between our Company, Sri Rama, and its promoters, Mahidhar Reddy and Varun Reddy (collectively, “**the Parties**”), our Company acquired 100% of the shareholding of Sri Rama, along with our Promoter, Prabhat Agrawal as the nominee of our Company for a total consideration of ₹ 562.94 million. The total value of assets of Sri Rama, as on September 30, 2023, was ₹ 1,351.04 million.

**5. Acquisition of Dhanvanthri Super Speciality Private Limited (“Dhanvanthri”):**

Pursuant to a share purchase agreement dated December 11, 2023, entered into between our Company, Dhanvanthri, G.K. Shridhar and Bhavya Balaraj (collectively, “**the Parties**”), our Company acquired 80% of the shareholding of Dhanvanthri, for a total consideration of ₹ 473.40 million. The total value of assets of Dhanvanthri, as on September 30, 2023, was ₹ 279.66 million.\*

*\*Based on our Proforma Financial Information.*

### ***Agreements with Key Managerial Personnel, Senior Management Personnel, Director, Promoters or any other employee***

Except as stated in “*Details of subsisting Shareholders’ agreements*” and “*Capital Structure - ESOP Scheme*”, there are no agreements entered into by a Key Managerial Personnel or Senior Management Personnel or Director or Promoter or any other employee of our Company, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

### ***Details of subsisting Shareholders’ agreements***

Except as disclosed below, our Company does not have any subsisting shareholders’ agreements among our Shareholders vis-a-vis our Company:

***Shareholder’s Agreement dated July 25, 2018, entered into between and amongst the Company, the Promoters, and IM Investments Trust and other shareholders (“2018 SHA”), along with the Supplementary Shareholder’s Agreement dated August 6, 2018 (“Supplementary Agreement”), the first addendum to the SHA dated February 5, 2019 (“First Addendum”), the second addendum dated August 3, 2023, (“Second Addendum”) and third addendum dated September 6, 2023 (“Third Addendum”), amended pursuant to the amendment agreement dated September 6, 2023, to the shareholder’s agreement dated July 25, 2018 (“SHA Amendment” and collectively the “Shareholder’s Agreement” or “the SHA”)***

The SHA sets out the rights and obligations of the parties thereto in relation to their respective shareholding in the Company and other rights including governance and management of the Company and matters in connection therewith, pursuant to the investment received by the Company from our Corporate Promoter and IM Investments Trust. IM Investments Trust was settled by Prabhat Narain Singh. Its trustees were Prashant Singh, and Tushar Kumar, and Universal Trustee Private Limited. The beneficiaries of this trust include Surbhi Singh and her lineal descendants, Tushar Kumar and his lineal descendants, and PUFT. Pursuant to the transfer of the shareholding of IM Investments Trust to PUFT, a deed of adherence dated March 31, 2023, was executed which included the latter as a party to the SHA such that its covenants would be applicable to PUFT as if it were originally a party to the 2018 SHA. IM Investments Trust stands dissolved as on date.

Under the 2018 SHA, the Corporate Promoter and PUFT (“**Investors**”) had a right to appoint directors in proportion to their shareholding in the Company and at least one nominee director each, and an alternate director(s) to such nominee directors, till the Investors held at least 10% of the share capital of our Company (on a fully diluted basis) (“**Minimum Threshold Shareholding**”). The Individual Promoters had a right to appoint themselves as Directors, and alternate directors for themselves till such time the Promoters were full time employees of the Company. The Investors further had a right to nominate one nominee director each to the committees of the Board and could appoint an observer on the Board till the shareholding of such investor was at least equal to the Minimum Threshold Shareholding. The Individual Promoters and Investors also had a right to appoint independent directors on the Board.

The Investors also have affirmative voting rights on certain matters, including for any amendments to our Company’s or our group entity’s memorandum or articles of association, any amendment or change of the rights, powers or restrictions provided for the benefit of the shares of our Company and our group entities and change in the capital structure. The Investors also have pre-emptive and anti-dilution rights, along with right of first refusal on the shares proposed to be transferred by any shareholder in the Company (except Investors). The Investors also have certain drag along rights which extends to a right to compel the Promoters to dispose their shareholding to any third party upon occurrence of any event which trigger the drag along rights of the Investors. The Supplementary Shareholders’ Agreement extended the obligations under drag-along, right of first refusal and transfer restrictions on Petros Diamantides and Novacare Drug Specialities Private Limited (“**Other Shareholders**”) on receipt of additional investment from the Investors. Further, the Investors also have

information rights such as to receive inter alia management review of the Company, audited financial statements, etc. The SHA read with the First Addendum and the Second Addendum prescribes the terms of issuance for CCPS, which can be converted (in whole or in part) to Equity Shares before the expiry of 19 years from the date of their issuance. Each CCPS can be converted into such number of Equity Share as may be determined in accordance with the SHA, including any adjustments to such conversion. The holders of the A1, A2, A3 and A5 CCPS are entitled to receive dividends on a cumulative dividend rate of 0.0001%, while the Series A4 CCPS holders shall receive dividends in accordance with the Companies Act, 2013. The holders of the A1, A2, A3 and A5 CCPS shall have the right to attend and vote in the shareholders' meetings, on an as if converted basis, in accordance with the applicable law and holders of A4 CCPS shall be entitled to voting rights in accordance with the Companies Act, 2013. The Series A1, A2 and A3 CCPS shall also rank senior to Series A4 and A5 series of CCPS issued by the Company. The 2018 SHA also contemplates adjustments to conversion formula for the CCPS on meeting certain conditions prescribed therein.

The Third Addendum contemplates conversion formula for the respective series of CCPS in the event of a public offer being undertaken by the Company. The said formula involves satisfaction of thresholds depending on the gross Money Multiple of the public offer undertaken by the Company, and subject to the certain other conditions. Pursuant to such arrangement, the conversion ratio of the respective series of CCPS may be proportionately adjusted so as to enable the Individual Promoters to achieve the agreed upon shareholding. Such conversion formula shall be contingent on the valuation of the Company prior to the public offer, which would be adjusted in case the Company undertakes a rights issue or any other financing activity prior to the public offer.

In accordance with the terms of the SHA Amendment, each Individual Promoters shall be entitled to appoint one executive Director on the Board of the Company which shall include the Individual Promoter, or such other person nominated by the Individual Promoter. The Corporate Promoter shall be entitled to nominate, (i) one Director if they hold equal to or greater than the 10% but less than 20% of the shareholding of the Company on a fully diluted basis, and (ii) two Directors if they hold equal to or greater than the 20% of the shareholding of the Company on a fully diluted basis. PUFT shall be entitled to nominate one Director until it holds equal to or greater than 10% of the shareholding of the Company on a fully diluted basis. The Investors further have a right to nominate one nominee director each to the committees of the Board as may be constituted by the Company provided the composition of all committees shall, to the extent required, be in compliance with SEBI LODR Regulations. Until the date of filing of the Red Herring Prospectus, each Investor may appoint an observer, subject to them holding more than 10% of the paid-up share capital of the Company on a fully diluted basis, in compliance with applicable law. The Observers shall not be considered for the purposes of quorum, and the Observers shall not be entitled to vote with respect to any resolution proposed to be passed at a Board meeting.

Certain waivers have been granted by Investors until the drop-dead date, i.e. December 31, 2024, or termination of the SHA or the SHA Amendment, or the date on which the IPO process is formally withdrawn, whichever is earlier, in respect of rights of first refusal, pre-emption rights, restrictions on transfer of shares by Individual Promoters and Other Shareholders, restriction on transfer of shares without a deed of adherence, as well as obligations of our Company to obtain prior consent from relevant shareholders and procedural requirements for proceedings of the Board and shareholder meetings, to the extent of actions and matters required for the facilitation of the IPO. The SHA Amendment prescribes that the SHA shall automatically terminate without any party being required to take any further action or furnish any notice under the SHA or hereunder, upon consummation of the Offer i.e., upon receipt of final listing and trading approvals from the stock exchanges for commencement of trading of the Equity Shares pursuant to the IPO.

The SHA Amendment shall stand terminated automatically, without any further action or deed required on the part of any party, on the (i) earlier of December 31, 2024, or the date on which the Board decides not to undertake the IPO, or termination of the SHA, or (ii) such other date as agreed to amongst the Parties in writing, except for certain clauses relating to, confidentiality, definition and interpretation, status of directors, and miscellaneous clauses, that will continue to survive such termination.

#### ***Key terms of other subsisting material agreements***

Except as disclosed in “*Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations or any revaluation of assets, in the last ten years*” and “*Details of subsisting Shareholders' agreements*” and on pages 213 and 214 above, our Company has not entered into any subsisting material agreements including with strategic partners, joint venture partners, and/or financial partners other than in the ordinary course of the business of our Company or which are otherwise material and need to be disclosed in this

Prospectus in context of the Offer. Additionally, there are no other clauses or covenants in these material agreements which are adverse or pre-judicial to the interest of the public/ minority shareholders. Further, except as disclosed in “– *Details of subsisting Shareholders’ agreements*” and “– *Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations or any revaluation of assets, in the last ten years*”, we confirm that our Company is neither a party to nor is aware of any arrangements or agreements, deeds of assignment, acquisition agreements, shareholders’ agreements, inter se agreements, any agreements between our Company, our Promoters and/or our Shareholders, agreements of like nature, and clauses/ covenants which are material to our Company

### ***Holding company***

OrbiMed Asia III Mauritius Limited, our Promoter, is our holding company. For further details, please see “*Our Promoters and Promoter Group*”.

### ***Joint venture***

As on the date of this Prospectus, our Company does not have any joint ventures.

### ***Associate***

As on the date of this Prospectus, our Company does not have any associate companies.

### ***Our Subsidiaries***

As on the date of this Prospectus, our Company has 39 Subsidiaries:

#### **1. Atreja Healthcare Solutions Private Limited**

##### *Corporate information*

Atreja Healthcare Solutions Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated February 12, 2021, issued by the RoC. Its CIN number is U51909HR2021PTC092908, and its registered office is situated at G/F & Basement, S.D. Mandir Marg, Near Old G.T Road, Karnal, 132001, Haryana, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

##### *Capital structure and shareholding pattern*

The authorised share capital of Atreja Healthcare Solutions Private Limited is ₹1,000,000 divided into 1,00,000 equity shares of ₹10 each. The issued, subscribed and paid-up capital is ₹1,00,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of Atreja Healthcare Solutions Private Limited is as follows:

<b>S. No.</b>	<b>Name of shareholder</b>	<b>Number of equity shares</b>	<b>Percentage of issued capital</b>
1	Our Company	9,999	99.99
2	Prabhat Agrawal*	1	0.01
<b>Total</b>		<b>10,000</b>	<b>100.00</b>

\*As a nominee shareholder

#### **2. Avenues Pharma Distributors Private Limited**

##### *Corporate information*

Avenues Pharma Distributors Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated March 26, 2019, issued by the Registrar of Companies,



Karnataka at Bangalore. Its CIN number is U24239KA2019PTC122720, and its registered office address is situated at No 260/1/36/2C, Pattanagere, Global Village Road, Beside Metro Cash & Carry Bangalore, 560059, Karnataka, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

*Capital structure and shareholding pattern*

The authorised share capital of Avenues Pharma Distributors Private Limited is ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of Avenues Pharma Distributors Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1	Our Company	9,999	99.99
2	Prabhat Agrawal*	1	0.01
<b>Total</b>		10,000	100.00

\*As a nominee shareholder

### 3. Barros Enterprises Private Limited

*Corporate information*

Barros Enterprises Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated September 11, 2019, issued by the Registrar of Companies, Goa at Panaji. Its CIN number is U51909GA2019PTC014087, and its registered office address is situated at SN. 1-8, Satt, Adhar Arcade, Peddem, Mapusa Bardez Goa, Mapusa, Goa, 403507, North Goa, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

*Capital structure and shareholding pattern*

The authorised share capital of Barros Enterprises Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹10 each.

The shareholding pattern of Barros Enterprises Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	9,999	99.99
2.	Prabhat Agrawal*	1	0.01
<b>Total</b>		10,000	100.00

\*As a nominee shareholder

### 4. Calcutta Medisolutions Private Limited

*Corporate information*

Calcutta Medisolutions Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated January 21, 2020, issued by the Registrar of Companies, West Bengal at Kolkata. Its CIN number is U51397WB2020PTC236018, and its registered office address is situated at 2nd Floor BI-Sec-B P-12 Canal South Road, Kolkata, 700105, West Bengal, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

*Capital structure and shareholding pattern*

The authorised share capital of Calcutta Medisolutions Private Limited is ₹ 1,500,000 divided into 150,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of Calcutta Medisolutions Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1	Our Company	9,999	99.99
2	Prabhat Agrawal*	1	0.01
<b>Total</b>		10,000	100.00

\*As a nominee shareholder

## 5. Chethana Healthcare Solutions Private Limited

### Corporate information

Chethana Healthcare Solutions Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated March 27, 2019, issued by the Registrar of Companies, Karnataka at Bangalore. Its CIN number is U51909KA2019PTC122804, and its registered office address is situated at 186/1C, C G hospital Road, P J Extension, Davangere, 577002, Karnataka, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

### Capital structure and shareholding pattern

The authorised share capital of Chethana Healthcare Solutions Private Limited is ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 1,000,000 divided into 100,000 of ₹ 10 each.

The shareholding pattern of Chethana Healthcare Solutions Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1	Our Company	99,999	99.99
2	Prabhat Agrawal*	1	Negligible
<b>Total</b>		100,000	100.00

\*As a nominee shareholder

## 6. Chethana Pharma Distributors Private Limited

### Corporate information

Chethana Pharma Distributors Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated April 8, 2020, issued by the Registrar of Companies, Karnataka at Bangalore. Its CIN number is U51909KA2020PTC133694, and its registered office address is situated at 1st & 2nd Floor, CTS No. 428/C & 428/D, Hangirkar Bhavan, Congress Road, Tilakwadi, Belgavi, Belgaum, 590006, Karnataka, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

### Capital structure and shareholding pattern

The authorised share capital of Chethana Pharma Distributors Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of Chethana Pharma Distributors Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1	Our Company	9,999	99.99
2	Prabhat Agrawal*	1	0.01
<b>Total</b>		10,000	100.00

\*As a nominee shareholder

## 7. Chethana Pharma Private Limited

### Corporate information

Chethana Pharma Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated April 03, 2019, issued by the Registrar of Companies, Karnataka at Bangalore. Its CIN number is U51909KA2019PTC123150, and its registered office address is situated at 1634/1,2,3, Hadadi Road, Davangere, 577002, Karnataka, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

### Capital structure and shareholding pattern

The authorised share capital of Chethana Pharma Private Limited is ₹ 5,000,000 divided into 500,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 3,000,000 divided into 300,000 of ₹ 10 each.

The shareholding pattern of Chethana Pharma Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1	Our Company	299,999	99.99
2	Prabhat Agrawal*	1	Negligible
<b>Total</b>		300,000	100.00

\*As a nominee shareholder

## 8. Chhabra Healthcare Solutions Private Limited

### Corporate information

Chhabra Healthcare Solutions Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated September 11, 2018, issued by the RoC. Its CIN number is U36900DL2018PTC338597, and its registered office is situated at Plot No. 321, F.I.E Patparganj Industrial Area, New Delhi, East Delhi, 110092 India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

### Capital structure and shareholding pattern

The authorised share capital of Chhabra Healthcare Solutions Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of Chhabra Healthcare Solutions Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1	Our Company	9,999	99.99
2	Prabhat Agrawal*	1	0.01
<b>Total</b>		10,000	100.00

*\*As a nominee shareholder*

## 9. Chirag Medicare Solutions Private Limited

### *Corporate information*

Chirag Medicare Solutions Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated March 27, 2019, issued by the Registrar of Companies, Karnataka at Bangalore. Its CIN number is U51909KA2019PTC122808, and its registered office is situated at 2650, Mcc B Block, Davangere, Karnataka, 577004, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

### *Capital structure and shareholding pattern*

The authorised share capital of Chirag Medicare Solutions Private Limited is ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 1,000,000 divided into 100,000 of ₹ 10 each.

The shareholding pattern of Chirag Medicare Solutions Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1	Our Company	99,999	99.99
2	Prabhat Agrawal*	1	Negligible
<b>Total</b>		100,000	100.00

*\*As a nominee shareholder*

## 10. City Pharma Distributors Private Limited

### *Corporate information*

City Pharma Distributors Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated March 08, 2021, issued by the Registrar of Companies, Karnataka at Bangalore. Its CIN number is U24299KA2021PTC145022, and its registered office is situated at JCST-J Block, Site No CAJP 2, 1st Floor, New Kantharaj, URS Road, Kuvempunagar, Mysore, 570023, Karnataka, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

### *Capital structure and shareholding pattern*

The authorised share capital of City Pharma Distributors Private Limited is ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 shares of ₹ 10 each.

The shareholding pattern of City Pharma Distributors Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1	Our Company	9,999	99.99
2	Prabhat Agrawal*	1	0.01
<b>Total</b>		10,000	100.00

*\*As a nominee shareholder*

## 11. CPD Pharma Private Limited

### *Corporate information*

CPD Pharma Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated June 21, 2019, issued by the Registrar of Companies, Tamil Nadu at Chennai. Its CIN number is U51909TN2019PTC130073, and its registered office is situated at 34, Ethiraj Samy Salai, Erukkencherry, MR Nagar, Chennai, 600118, Tamil Nadu, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

*Capital structure and shareholding pattern*

The authorised share capital of CPD Pharma Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of CPD Pharma Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	9,999	99.99
2.	Prabhat Agrawal*	1	0.01
<b>Total</b>		<b>10,000</b>	<b>100.00</b>

\*As a nominee shareholder

## 12. Curever Pharma Private Limited

*Corporate information*

Curever Pharma Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated January 19, 2021, issued by the Registrar of Companies, Maharashtra at Mumbai. Its CIN number is U24230MH2021PTC353725, and its registered office is situated at Unit No. 605/606, 6th Floor, Trade Centre Bandra Kurla Complex, Bandra East, Mumbai, Mumbai City, 400051, Maharashtra, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

*Capital structure and shareholding pattern*

The authorised share capital of Curever Pharma Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of Curever Pharma Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	9,999	99.99
2.	Prabhat Agrawal*	1	0.01
<b>Total</b>		<b>10,000</b>	<b>100.00</b>

\*As a nominee shareholder

## 13. Galaxystar Pharma Distributors Private Limited

*Corporate information*

Galaxystar Pharma Distributors Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated September 26, 2018, issued by the Registrar of Companies, Maharashtra at Mumbai. Its CIN number is U51909MH2018PTC314815, and its registered office is situated at Plot 81-A, Tahira Compound, Caves Road Jogeshwari East, Mumbai, Mumbai City, 400060, Maharashtra, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

*Capital structure and shareholding pattern*

The authorised share capital of Galaxystar Pharma Distributors Private Limited is ₹ 10,000,000 divided into 1,000,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 10,000,000 divided into 1,000,000 of ₹ 10 each.

The shareholding pattern of Galaxystar Pharma Distributors Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	9,99,999	99.99
2.	Prabhat Agrawal*	1	Negligible
<b>Total</b>		<b>10,00,000</b>	<b>100.00</b>

\*As a nominee shareholder

#### 14. Getwell Medicare Solution Private Limited

*Corporate information*

Getwell Medicare Solution Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated November 22, 2018, issued by the Registrar of Companies, Kerala at Ernakulam. Its CIN number is U52310KL2018PTC055604, and its registered office is situated at Room No. 41/1859, 1860, 1860A, New No. 66/1853E 1852 1853 Veekshanam Road, Cochin, Ernakulam, 682018, Kerala, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

*Capital structure and shareholding pattern*

The authorised share capital of Getwell Medicare Solution Private Limited is ₹ 80,000,000 divided into 80,00,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 80,000,000 divided into 80,00,000 of ₹ 10 each.

The shareholding pattern of Getwell Medicare Solution Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	6,800,000	85.00
2.	Padmakumar Chungath Karunakaran	400,000	5.00
3.	Dimple Padma kumar	400,000	5.00
4.	Dileep kumar Mukundakshan Nair	400,000	5.00
<b>Total</b>		<b>8,000,000</b>	<b>100.00</b>

#### 15. G.S. Pharmaceutical Distributors Private Limited

*Corporate information*

G.S. Pharmaceutical Distributors Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated September 27, 2017, issued by the Registrar of Companies, Maharashtra at Mumbai. Its CIN number is U74999MH2017PTC300189, and its registered office is situated at Unit No. 12, 1st Floor, Good Wood Bldg, Patanwala Estate, LBS Marg, Ghatkopar (West), Mumbai, Mumbai City, 400086, Maharashtra, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

### *Capital structure and shareholding pattern*

The authorised share capital of G.S. Pharmaceutical Distributors Private Limited is ₹ 40,000,000 divided into 4,000,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 36,000,000 divided into 3,600,000 of ₹ 10 each.

The shareholding pattern of G.S. Pharmaceutical Distributors Private Limited is as follows:

<b>S. No.</b>	<b>Name of shareholder</b>	<b>Number of equity shares</b>	<b>Percentage of issued capital</b>
1.	Our Company	3,599,999	99.99
2.	Prabhat Agrawal*	1	Negligible
<b>Total</b>		<b>3,600,000</b>	<b>100.00</b>

\*As a nominee shareholder

### **16. Jaggi Enterprises Private Limited**

#### *Corporate information*

Jaggi Enterprises Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated May 18, 2017, issued by the RoC. Its CIN number is U74999DL2017PTC317744, and its registered office is situated at A-7, First Floor, Mayapuri Industrial Area, Phase-II, Mayapuri, West Delhi, New Delhi, Delhi – 110064, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

#### *Capital structure and shareholding pattern*

The authorised share capital of Jaggi Enterprises Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of Jaggi Enterprises Private Limited is as follows:

<b>S. No.</b>	<b>Name of shareholder</b>	<b>Number of equity shares</b>	<b>Percentage of issued capital</b>
1.	Our Company	9,999	99.99
2.	Prabhat Agrawal*	1	0.01
<b>Total</b>		<b>10,000</b>	<b>100.00</b>

\*As a nominee shareholder

### **17. Millennium Medisolutions Private Limited**

#### *Corporate information*

Millennium Medisolutions Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated November 20, 2018, issued by the RoC. Its CIN number is U74999HR2018PTC076964, and its registered office is situated at Khasra No. 672, 673/2, 678. 679, Village Khandsa, Near Hero Honda Chowk, Gurugram, Gurgaon, 122001 Haryana, India

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

#### *Capital structure and shareholding pattern*

The authorised share capital of Millennium Medisolutions Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of Millennium Medisolutions Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	9,999	99.99
2.	Prabhat Agrawal*	1	0.01
<b>Total</b>		10,000	100.00

\*As a nominee shareholder

## 18. New RRPD Private Limited

### Corporate information

New RRPD Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated November 1, 2021, issued by the Registrar of Companies, Tamil Nadu at Chennai. Its CIN number is U51397TN2021PTC147584, and its registered office is situated at 2R-92/4, North Avenue, Muthamizh Nagar, Chennai, 600118, Tamil Nadu, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

### Capital structure and shareholding pattern

The authorised share capital of New RRPD Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of New RRPD Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	9,999	99.99
2.	Prabhat Agrawal*	1	0.01
<b>Total</b>		10,000	100.00

\*As a nominee shareholder

## 19. New Siva Agencies Private Limited

### Corporate information

New Siva Agencies Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated November 9, 2021, issued by the Registrar of Companies, Tamil Nadu at Chennai. Its CIN number is U51909TN2021PTC147738, and its registered office is situated at 2R-92/4, North Avenue, Muthamizh Nagar, Chennai, 600118, Tamil Nadu, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

### Capital structure and shareholding pattern

The authorised share capital of New Siva Agencies Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of New Siva Agencies Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	9,999	99.99
2.	Prabhat Agrawal*	1	0.01
<b>Total</b>		10,000	100.00

\*As a nominee shareholder



## 20. Novacare Healthcare Solutions Private Limited

### Corporate information

Novacare Healthcare Solutions Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated May 25, 2018, issued by the Registrar of Companies, Maharashtra at Mumbai. Its CIN number is U51900MH2018PTC309987, and its registered office is situated at Ground Floor – C -12A, C-12B, C-12C, C-Building, Kantilal Maganlal Estate, L.B.S Marg, Bhandup, West Mumbai, Mumbai City, 400078, Maharashtra, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

### Capital structure and shareholding pattern

The authorised share capital of Novacare Healthcare Solutions Private Limited is ₹ 120,000,000 divided into 12,000,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 110,000,000 divided into 11,000,000 of ₹ 10 each.

The shareholding pattern of Novacare Healthcare Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	10,999,999	99.99
2.	Prabhat Agrawal*	1	Negligible
<b>Total</b>		11,000,000	100.00

\*As a nominee shareholder

## 21. Quomed Lifesciences Private Limited

### Corporate information

Quomed Lifesciences Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated March 26, 2020, issued by the Registrar of Companies, Maharashtra at Mumbai. Its CIN number is U51100MH2020PTC339126, and its registered office is situated at Unit No. 605/606, 6th Floor, Trade Centre Bandra Kurla Complex, Bandra East, Mumbai, Bandra Suburban, 400051, Maharashtra, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

### Capital structure and shareholding pattern

The authorised share capital of Quomed Lifesciences Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of Quomed Lifesciences Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	9,999	99.99
2.	Prabhat Agrawal*	1	0.01
<b>Total</b>		10,000	100.00

\*As a nominee shareholder

## 22. R S M Pharma Private Limited

### Corporate information

R S M Pharma Private Limited was incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated March 30, 1989, issued by the Registrar of Companies, Karnataka at Bengaluru. Its CIN number is U85110KA1989PTC009974, and its registered office is situated at 1st Floor, No.260/1/36/2C, Pattangere, Global Village Road, Near Metro Cash & Carry Bangalore, 560059, Bangalore, Karnataka.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

*Capital structure and shareholding pattern*

The authorised share capital of RSM Pharma Private Limited is ₹ ₹ 15,000,000 divided into 1,500,000 of ₹ 10 each. The issued, subscribed and paid-up capital is ₹15,000,000 divided into 1,500,000 of ₹ 10 each.

The shareholding pattern of RSM Pharma Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	1,499,999	99.99
2.	Prabhat Agrawal*	1	Negligible
<b>Total</b>		<b>1,500,000</b>	<b>100.00</b>

\*As a nominee shareholder

### 23. Rada Medisolutions Private Limited

*Corporate information*

Rada Medisolutions Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated March 28, 2019, issued by the Registrar of Companies, Tamil Nadu at Chennai. Its CIN number is U51397TN2019PTC128334, and its registered office is situated at 111/30 Ganesh Nagar, 1st Cross Street Alapakkam, Chennai, 600116, Tamil Nadu, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

*Capital structure and shareholding pattern*

The authorised share capital of Rada Medisolutions Private Limited is ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of Rada Medisolutions Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	9,999	99.99
2.	Prabhat Agrawal*	1	0.01
<b>Total</b>		<b>10,000</b>	<b>100.00</b>

\*As a nominee shareholder

### 24. Rimedio Pharma Private Limited

*Corporate information*

Rimedio Pharma Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated March 26, 2020, issued by the Registrar of Companies, Maharashtra at Mumbai. Its CIN number is U51909MH2020PTC339123, and its registered office is situated at Unit No. 605/606, 6th Floor, Trade Centre Bandra Kurla Complex, Bandra East, Mumbai, Bandra Suburban, 400051, Maharashtra, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

### *Capital structure and shareholding pattern*

The authorised share capital of Rimedio Pharma Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of Rimedio Pharma Private Limited is as follows:

<b>S. No.</b>	<b>Name of shareholder</b>	<b>Number of equity shares</b>	<b>Percentage of issued capital</b>
1.	Our Company	9,999	99.99
2.	Prabhat Agrawal*	1	0.01
<b>Total</b>		<b>10,000</b>	<b>100.00</b>

\*As a nominee shareholder

## **25. Saurashtra Medisolutions Private Limited**

### *Corporate information*

Saurashtra Medisolutions Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated January 21, 2022, issued by the Registrar of Companies, Gujarat at Ahmedabad. Its CIN number is U24304GJ2022PTC128793, and its registered office is situated at 01 Saurashtra House, Majumdar No Vado, Opp Sanstha Vasahat Pratap Road Raopura, Vadodara, Gujarat, 390001 India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

### *Capital structure and shareholding pattern*

The authorised share capital of Saurashtra Medisolutions Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of Saurashtra Medisolutions Private Limited is as follows:

<b>S. No.</b>	<b>Name of shareholder</b>	<b>Number of equity shares</b>	<b>Percentage of issued capital</b>
1.	Our Company	9,999	99.99
2.	Prabhat Agrawal*	1	0.01
<b>Total</b>		<b>10,000</b>	<b>100.00</b>

\*As a nominee shareholder

## **26. Sessa Balajee Medisolutions Private Limited**

### *Corporate information*

Sessa Balajee Medisolutions Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated July 26, 2019, issued by the Registrar of Companies, Andhra Pradesh, at Vijayawada. Its CIN number is U51909AP2019PTC112528, and its registered office is situated at D. No: 31-31-16/1, Saibaba Street, Dabagardens, Near Leelamahhal Theatre, Visakhapatnam, 530020, Andhra Pradesh, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

### *Capital structure and shareholding pattern*

The authorised share capital of Sessa Balajee Medisolutions Private Limited is ₹ 1,500,000 divided into 150,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10

each.

The shareholding pattern of Sessa Balajee Medisolutions Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	9,999	99.99
2.	Prabhat Agrawal*	1	0.01
Total		10,000	100.00

\*As a nominee shareholder

## 27. Sree Venkateshwara Medisolutions Private Limited

### Corporate information

Sree Venkateshwara Medisolutions Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated March 29, 2020, issued by the Registrar of Companies, Telangana at Hyderabad. Its CIN number is U51900TG2020PTC139985, and its registered office is situated at G Savitharamma Plaza, H No 22-95/1, 3rd Floor, Plot Numbers 20, Vijayanagar, Colony, Kukatpally, Hyderabad, Rangareddi, 500072, Telangana, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

### Capital structure and shareholding pattern

The authorised share capital of Sree Venkateshwara Medisolutions Private Limited is ₹ 1,500,000 divided into 150,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of Sree Venkateshwara Medisolutions Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	9,999	99.99
2.	Prabhat Agrawal*	1	0.01
Total		10,000	100.00

\*As a nominee shareholder

## 28. S.S. Pharma Traders Private Limited

### Corporate information

S.S. Pharma Traders Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated July 25, 2022, issued by the Registrar of Companies, Uttar Pradesh at Kanpur. Its CIN number is U85300UP2022PTC168228, and its registered office is situated at B-82, Surajkund Colony, Near B-Block Park, Gorakhpur 273015, Uttar Pradesh.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

### Capital structure and shareholding pattern

The authorised share capital of S.S. Pharma Traders Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of S.S. Pharma Traders Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	9,999	99.99
2.	Prabhat Agrawal*	1	0.01
<b>Total</b>		10,000	100.00

\*As a nominee shareholder

## 29. Sri Parshva Pharma Distributors Private Limited

### Corporate information

Sri Parshva Distributors Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated November 26, 2021, issued by the Registrar of Companies, Karnataka at Bengaluru. Its CIN number is U85300KA2021PTC154908, and its registered office is situated at "Parshva Arcade", 3023 - 3039, 5th Cross, 15th Main, Banshankari 2nd Stage, 560070 Bangalore, Karnataka.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products

### Capital structure and shareholding pattern

The authorised share capital of Sri Parshva Distributors Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of Sri Parshva Pharma Distributors Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	9,999	99.99
2.	Prabhat Agrawal*	1	0.01
<b>Total</b>		10,000	100.00

\*As a nominee shareholder

## 30. Sri Rama Pharmaceutical Distributors Private Limited

### Corporate information

Sri Rama Pharmaceutical Distributors Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated November 10, 2021, issued by the Registrar of Companies, Telangana at Hyderabad. Its CIN number is U51909TG2021PTC156822, and its registered office is situated at 3-6-504/A/1, Himayat Nagar, Hyderabad, 500029 Telangana, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

### Capital structure and shareholding pattern

The authorised share capital of Sri Rama Pharmaceutical Distributors Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 50,000 divided into 5,000 of ₹ 10 each.

The shareholding pattern of Sri Rama Pharmaceutical Distributors Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	4,999	99.99
2.	Prabhat Agrawal*	1	Negligible
<b>Total</b>		5,000	100.00

*\*As a nominee shareholder*

### **31. Sundarlal Pharma Distributors Private Limited**

#### *Corporate information*

Sundarlal Pharma Distributors Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated October 1, 2018, issued by the Registrar of Companies, Maharashtra at Mumbai. Its CIN number is U51909MH2018PTC315127, and its registered office is situated at 1238, Floor-loft, Kishor, Bhai Chawl, Taty Tope Marg, Joglekarwadi, Son Fish Mkt, Sion (E), Mumbai, 400022, Maharashtra, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

#### *Capital structure and shareholding pattern*

The authorised share capital of Sundarlal Pharma Distributors Private Limited is ₹ 10,000,000 divided into 1,000,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 10,000,000 divided into 1,000,000 of ₹ 10 each.

The shareholding pattern of Sundarlal Pharma Distributors Private Limited is as follows:

<b>S. No.</b>	<b>Name of shareholder</b>	<b>Number of equity shares</b>	<b>Percentage of issued capital</b>
1.	Our Company	999,999	99.99
2.	Prabhat Agrawal*	1	Negligible
<b>Total</b>		<b>1,000,000</b>	<b>100.00</b>

*\*As a nominee shareholder*

### **32. SVMED Solutions Private Limited**

#### *Corporate information*

SVMED Solutions Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated April 15, 2019, issued by the Registrar of Companies, Andhra Pradesh, at Vijayawada. Its CIN number is U51397AP2019PTC111697, and its registered office is situated at D, No. 25-15/2, Ice Factory Road, 5th Lane, Kabela, RR Nagar, Gollapudi, Vijayawada, Krishna, 520012, Andhra Pradesh, India

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

#### *Capital structure and shareholding pattern*

The authorised share capital of SVMED Solutions Private Limited is ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of SVMED Solutions Private Limited is as follows:

<b>S. No.</b>	<b>Name of shareholder</b>	<b>Number of equity shares</b>	<b>Percentage of issued capital</b>
1.	Our Company	9,999	99.99
2.	Prabhat Agrawal*	1	0.01
<b>Total</b>		<b>10,000</b>	<b>100.00</b>

*\*As a nominee shareholder*

### **33. SVS Lifesciences Private Limited**

#### *Corporate information*

SVS Lifesciences Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated April 22, 2022, issued by the Registrar of Companies, Chattisgarh at Bilaspur. Its CIN number is U24100CT2022PTC013078, and its registered office is situated at HN -616, Behind Vinay Mitra Mandal, Besides Astha Nursing Home, Pachpedinaka, Raipur, – 492001, Chattisgarh, India, 429001.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

*Capital structure and shareholding pattern*

The authorised share capital of SVS Lifesciences Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of SVS Lifesciences Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	9,999	99.99
2.	Prabhat Agrawal*	1	0.01
<b>Total</b>		10,000	100.00

\*As a nominee shareholder

### 34. Swami Medisolutions Private Limited

*Corporate information*

Swami Medisolutions Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated July 13, 2021, issued by the Registrar of Companies, Punjab at Chandigarh. Its CIN number is U51909PB2021PTC053818, and its registered office is situated at Shop (Comm) # Medicine Market, Katra Sher Singh I/S Hall Bazar G.P.O, Amritsar, 143001 Punjab, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

*Capital structure and shareholding pattern*

The authorised share capital of Swami Medisolutions Private Limited is ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of Swami Medisolutions Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	9,999	99.99
2.	Prabhat Agrawal*	1	0.01
<b>Total</b>		10,000	100.00

\*As a nominee shareholder

### 35. Vasavi Medicare Solutions Private Limited

*Corporate information*

Vasavi Medicare Solutions Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated March 20, 2019, issued by the Registrar of Companies, Tamil Nadu at Coimbatore. Its CIN number is U51909TZ2019PTC031869, and its registered office is situated at D. No.118, Sullivan Street, Coimbatore, 641001, Tamil Nadu, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

*Capital structure and shareholding pattern*

The authorised share capital of Vasavi Medicare Solutions Private Limited is ₹1,000,000 divided into 100,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of Vasavi Medicare Solutions Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	9,999	99.99
2.	Prabhat Agrawal*	1	0.01
<b>Total</b>		10,000	100.00

\*As a nominee shareholder

### 36. Western Healthcare Solutions Private Limited

Corporate information

Western Healthcare Solutions Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated March 12, 2021, issued by the Registrar of Companies, Kerala at Ernakulam. Its CIN number is U51909KL2021PTC068006, and its registered office is situated at KC/46/5023-438, 5024-438, Sree Ganesh Complex, Big Bazar, Kollam, 691001, Kerala, India.

It is engaged in the business of distribution of pharmaceuticals, surgicals and other healthcare and allied products.

*Capital structure and shareholding pattern*

The authorised share capital of Western Healthcare Solutions Private Limited is ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 150,000 divided into 15,000 of ₹ 10 each.

The shareholding pattern of Western Healthcare Solutions Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	14,999	99.99
2.	Prabhat Agrawal*	1	Negligible
<b>Total</b>		15,000	100.00

\*As a nominee shareholder

### 37. Zennx Software Solutions Private Limited

Corporate information

Zennx Software Solutions Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated November 9, 2021, issued by the Registrar of Companies, Maharashtra at Mumbai. Its CIN number is U72900MH2021PTC371067, and its registered office is situated at 605/606, Trade Center, Bandra Kurla Complex, Mumbai, Mumbai City, Maharashtra, India, 400051.

It is primarily engaged in the business of, Software designing, development, customization implementation, maintenance, testing and bench marking, dealing is computer software and solutions etc.

*Capital structure and shareholding pattern*

The authorised share capital of Zennx Software Solutions Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of Zennz Software Solutions Private Limited is as follows:



S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	9,999	99.99
2.	Prabhat Agrawal*	1	0.01
<b>Total</b>		10,000	100.00

\*As a nominee shareholder

### 38. Entero R.S. Enterprises Private Limited

#### Corporate information

Entero R.S. Enterprises Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated May 8, 2023, issued by the Registrar of Companies, Central Registration Centre. Its CIN number is U46497KA2023PTC173357, and its registered office is situated at P.B.No.8625, No. 449, 12<sup>th</sup> Cross, WCR 2<sup>nd</sup> Stage, Mahalakshmpuram, Mahalakshmpuram Layout, Bangalore, Bangalore North, Karnataka-560086, India.

It is primarily engaged in the business of, inter alia distribution of pharmaceuticals, surgicals and other healthcare and allied products etc.

#### Capital structure and shareholding pattern

The authorised share capital of Entero R.S. Enterprises Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of Entero R.S. Enterprises Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	9,999	99.99
2.	Prabhat Agrawal*	1	0.01
<b>Total</b>		10,000	100.00

\*As a nominee shareholder

### 39. Dhanvanthri Super Speciality Private Limited

#### Corporate information

Dhanvanthri Super Speciality Private Limited was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated August 11, 2023, issued by the Registrar of Companies, Karnataka at Bengaluru. Its CIN number is U46497KA2023PTC177243, and its registered office is situated at No. 32, Park Area, Wilson Garden, Wilson Garden, Bangalore, Bangalore South – 560027, Karnataka, India.

It is primarily engaged in the business of, inter alia distribution of pharmaceuticals, surgicals and other healthcare and allied products etc.

#### Capital structure and shareholding pattern

The authorised share capital of Dhanvanthri Super Speciality Private Limited is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up capital is ₹ 100,000 divided into 10,000 of ₹ 10 each.

The shareholding pattern of Dhanvanthri Super Speciality Private Limited is as follows:

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
1.	Our Company	8,000	80.00

S. No.	Name of shareholder	Number of equity shares	Percentage of issued capital
2.	Mr. Guttahalli Krishnappa Shridhar	1,000	10.00
3.	Ms. Bhavya Balaraj	1,000	10.00
<b>Total</b>		10,000	100.00

#### ***Common Pursuits between our Subsidiaries and our Company***

Our Subsidiaries have common pursuits with our Company and each other. They are either engaged in or are authorised by their respective constitutional documents to engage in the same line of business as that of our Company and each other. Except as disclosed under “- *Our Subsidiaries*” and “*Other Financial Information – Related Party Transactions*” on pages 216 and 396, respectively, there are no common pursuits between our Subsidiaries and our Company.

Our Subsidiaries do not compete with our Company and accordingly, there is no conflict of interest. Further, our Company and our Subsidiaries will adopt the necessary procedures and practices, as permitted by law, to address any conflict situation as and when they arise.

#### ***Business Interest of our Subsidiaries in our Company***

Except as disclosed in “*Our Business*” and “*Financial Information – Restated Consolidated Financial Information*” on page 180 and 279, our Subsidiaries do not have or propose to have any business interest in our Company.

#### ***Guarantees given by the Promoters***

Our Promoters, who are also the Selling Shareholders, have not provided any guarantees to any third parties with respect to the Company, or its Subsidiaries, as on the date of this Prospectus.

#### ***Financial indicators for our Subsidiaries:***

**For six months ended September 30, 2023:**

*(in ₹ million, except per share data and percentages)*

Name of the Subsidiary	Revenue from operations	% growth in revenue from operations (compared to previous Fiscal)	Gross profit	Gross profit (as % of revenue from operations)	Profit after tax	Profit after tax (as % of revenue from operations)	Earnings per share (basic)	Earnings per share (diluted)
Atreja Healthcare Solutions Private Limited	109.71	19.43%	5.62	5.12%	(2.09)	(1.90%)	(208.81)	(208.81)
Avenues Pharma Distributors Private Limited	1,404.72	1.18%	100.45	7.15%	(3.30)	(0.23%)	(329.57)	(329.57)
Barros Enterprises Private Limited	295.60	0.37%	29.99	10.15%	5.30	1.79%	530.37	530.37
Calcutta Medisolutio	93.64	64.62%	5.66	6.04%	(1.32)	(1.41%)	(131.74)	(131.74)

Name of the Subsidiary	Revenue from operations	% growth in revenue from operations (compared to previous Fiscal)	Gross profit	Gross profit (as % of revenue from operations)	Profit after tax	Profit after tax (as % of revenue from operations)	Earnings per share (basic)	Earnings per share (diluted)
ns Private Limited								
Chethana Healthcare Solutions Private Limited	259.41	17.61%	22.15	8.54%	3.55	1.37%	35.45	35.45
Chethana Pharma Distributors Private Limited	56.13	20.56%	4.93	8.79%	(1.77)	(3.15%)	(176.73)	(176.73)
Chethana Pharma Private Limited	1,051.82	8.38%	100.62	9.57%	32.22	3.06%	107.39	107.39
Chhabra Healthcare Solutions Private Limited	282.89	(23.68%)	16.56	5.85%	(9.52)	(3.37%)	(951.91)	(951.91)
Chirag Medicare Solutions Private Limited	1,042.92	9.54%	99.00	9.49%	31.57	3.03%	315.73	315.73
City Pharma Distributors Private Limited	45.10	8.55%	2.80	6.21%	(4.01)	(8.89%)	(400.56)	(400.56)
CPD Pharma Private Limited	52.76	(22.66%)	2.21	4.19%	(2.22)	(4.21%)	(222.31)	(222.31)
Curever Pharma Private Limited	37.25	23.06%	12.19	32.72%	(35.71)	(95.87%)	(3,571.41)	(3,571.41)
Entero R.S Enterprises Private Limited*	252.60	NA	26.52	10.50%	11.84	4.69%	1,183.58	1,183.58
G.S.Pharmaceutical Distributors Private Limited	495.82	8.07%	43.07	8.69%	(4.35)	(0.88%)	(1.21)	(1.21)
Galaxystar Pharma Distributors Private Limited	1,311.56	31.95%	72.93	5.56%	14.49	1.10%	14.49	14.49
Getwell Medicare Solutions	908.69	(7.56%)	86.10	9.47%	18.47	2.03%	2.31	2.31

Name of the Subsidiary	Revenue from operations	% growth in revenue from operations (compared to previous Fiscal)	Gross profit	Gross profit (as % of revenue from operations)	Profit after tax	Profit after tax (as % of revenue from operations)	Earnings per share (basic)	Earnings per share (diluted)
Private Limited								
Jaggi Enterprises Private Limited	582.35	10.11%	56.62	9.72%	(5.13)	(0.88%)	(512.97)	(512.97)
Millennium Medisolutions Private Limited	981.60	28.35%	77.31	7.88%	5.76	0.59%	576.00	576.00
New RRPD Private Limited	126.10	15.93%	8.64	6.86%	(1.70)	(1.35%)	(169.77)	(169.77)
New Siva Agencies Private Limited	152.45	(4.91%)	12.12	7.95%	(1.81)	(1.19%)	(180.76)	(180.76)
Novacare Healthcare Solutions Private Limited	2,102.02	52.01%	131.57	6.26%	18.53	0.88%	1.68	1.68
Quromed Life Sciences Private Limited	-	NA	-	0.00	(0.06)	0.00	(6.35)	(6.35)
R S M Pharma Private Limited	1,633.05	13.75%	126.56	7.75%	28.64	1.75%	19.10	19.10
Rada Medisolutions Private Limited	348.82	(3.54%)	24.88	7.13%	0.07	0.02%	6.76	6.76
Rimedio Pharma Private Limited	-	NA	-	0.00	(0.04)	0.00	(3.70)	(3.70)
S.S. Pharma Traders Private Limited	474.89	666.29%	59.05	12.44%	18.31	3.86%	1,830.53	1,830.53
Saurashtra Medisolutions Private Limited	184.76	68.27%	17.80	9.63%	(0.94)	(0.51%)	(94.49)	(94.49)
Sesha Balajee Medisolutions Private Limited	437.74	17.62%	39.37	8.99%	5.98	1.37%	597.88	597.88
Sree Venkateshw	156.92	59.81%	10.42	6.64%	(1.18)	(0.75%)	(117.71)	(117.71)

Name of the Subsidiary	Revenue from operations	% growth in revenue from operations (compared to previous Fiscal)	Gross profit	Gross profit (as % of revenue from operations)	Profit after tax	Profit after tax (as % of revenue from operations)	Earnings per share (basic)	Earnings per share (diluted)
ara Medisolutions Private Limited								
Sri Parshva Pharma Distributors Private Limited	929.19	10.45%	91.44	9.84%	2.97	0.32%	296.90	296.90
Sri Rama Pharmaceutical Distributors Private Limited	1,404.43	74.26%	61.92	4.41%	2.50	0.18%	500.18	500.18
Sundarlal Pharma Distributors Private Limited	164.21	(9.64%)	4.56	2.77%	(1.86)	(1.13%)	(1.86)	(1.86)
SVMED Solutions Private Limited	473.27	(1.86%)	37.32	7.89%	(6.13)	(1.30%)	(612.99)	(612.99)
SVS Lifesciences Private Limited	159.34	107.08%	11.69	7.34%	(1.24)	(0.78%)	(124.21)	(124.21)
Swami Medisolutions Private Limited	90.28	5.29%	5.96	6.61%	(3.37)	(3.73%)	(336.74)	(336.74)
Vasavi Medicare Solutions Private Limited	549.74	10.47%	37.83	6.88%	(2.88)	(0.52%)	(288.17)	(288.17)
Western Healthcare Solutions Private Limited	609.55	36.45%	53.65	8.80%	15.01	2.46%	1,000.96	1,000.96
Zennx Software Solutions Private Limited	-	NA	-	0.00	(0.01)	0.00%	(0.00)	(0.00)
Dhanvanthri Super Speciality Private Limited^	-	NA	-	0.00	(0.01)	0.00%	(0.00)	(0.00)

\*Entero R.S. Enterprises Private Limited was incorporated on June 28, 2023.

^Dhanvanthri Super Speciality Private Limited was incorporated on December 11, 2023.

**For Fiscal 2023:**

*(in ₹ million, except per share data and percentages)*

<b>Name of the Subsidiary</b>	<b>Revenue from operations</b>	<b>% growth in revenue from operations (compared to previous Fiscal)</b>	<b>Gross profit</b>	<b>Gross profit (as % of revenue from operations)</b>	<b>Profit after tax</b>	<b>Profit after tax (as % of revenue from operations)</b>	<b>Earnings per share (basic)</b>	<b>Earnings per share (diluted)</b>
Novacare Healthcare Solutions Private Limited	3,007.37	5.95%	229.71	7.64%	(1.37)	(0.05)%	(0.12)	(0.12)
G.S. Pharmaceutical Distributors Private Limited	968.43	13.48%	77.05	7.96%	(7.57)	(0.78)%	(2.10)	(2.03)
R S M Pharma Private Limited	2,990.92	29.51%	227.42	7.60%	38.14	1.27%	25.83	25.83
Getwell Medicare Solution Private Limited	1,941.64	23.11%	161.54	8.32%	30.23	1.56%	3.78	3.78
Sundarlal Pharma Distributors Private Limited	321.33	(35.11)%	12.56	3.91%	(17.31)	(5.39)%	(22.03)	(22.03)
Chhabra Healthcare Solutions Private Limited	753.60	17.80%	42.52	5.64%	(8.39)	(1.11)%	(838.78)	(838.78)
Galaxystar Pharma Distributors Private Limited	2,121.97	17.99%	135.62	6.39%	28.81	1.36%	36.67	36.67
Avenues Pharma Distributors Private Limited	2,794.63	22.60%	192.34	6.88%	4.29	0.15%	429.14	429.14
Chirag Medicare Solutions Private Limited	1,957.88	0.42%	182.61	9.33%	51.12	2.61%	511.24	511.24
Jaggi Enterprises Private Limited	1,105.75	8.86%	81.22	7.34%	(4.67)	(0.42)%	(466.88)	(466.88)
Chethana Healthcare Solutions	463.18	(3.05)%	39.25	8.47%	5.12	1.11%	51.24	51.24

Name of the Subsidiary	Revenue from operations	% growth in revenue from operations (compared to previous Fiscal)	Gross profit	Gross profit (as % of revenue from operations)	Profit after tax	Profit after tax (as % of revenue from operations)	Earnings per share (basic)	Earnings per share (diluted)
Private Limited								
Vasavi Medicare Solutions Private Limited	1,013.07	30.78%	64.87	6.40%	(6.04)	(0.60)%	(604.02)	(604.02)
SVMED Solutions Private Limited	904.79	(2.65)%	66.71	7.37%	(8.41)	(0.93)%	(841.06)	(841.06)
Chethana Pharma Private Limited	1,979.90	1.25%	185.37	9.36%	55.53	2.80%	185.11	185.11
Millennium Medisolutions Private Limited	1,580.72	19.89%	113.84	7.20%	(11.05)	(0.70)%	(1,105.12)	(1,413.84)
Rada Medisolutions Private Limited	684.54	16.49%	39.78	5.81%	(4.21)	(0.62)%	(421.00)	(421.00)
Barros Enterprises Private Limited	617.79	8.51%	58.39	9.45%	10.22	1.65%	1,042.52	1,042.52
Chethana Pharma Distributors Private Limited	105.35	16.81%	9.55	9.07%	(3.37)	(3.20)%	(336.55)	(336.55)
Sree Venkateshwar Medisolutions Private Limited	221.64	107.08%	13.33	6.01%	(3.26)	(1.47)%	(326.05)	(326.05)
CPD Pharma Private Limited	121.59	(27.09)%	1.96	1.61%	(5.23)	(4.30)%	(523.19)	(523.19)
Calcutta Medisolutions Private Limited	132.54	158.37%	7.28	5.49%	(4.09)	(3.09)%	(408.87)	(408.87)
Curever Pharma Private Limited	44.76	(73.87)%	(42.23)	(94.33)%	(152.99)	(341.77)%	(15,298.81)	(15,298.81)
Quromed Lifesciences Private Limited	-	N.A.	-	0.00%	(0.07)	N.M.	(7.15)	(7.15)
Rimedio Pharma	-	N.A.	-	0.00%	(0.08)	N.M.	(8.12)	(8.12)

Name of the Subsidiary	Revenue from operations	% growth in revenue from operations (compared to previous Fiscal)	Gross profit	Gross profit (as % of revenue from operations)	Profit after tax	Profit after tax (as % of revenue from operations)	Earnings per share (basic)	Earnings per share (diluted)
Private Limited								
Atreja Healthcare Solutions Private Limited	181.03	36.93%	9.31	5.14%	(4.05)	(2.24)%	(404.68)	(404.68)
Sesha Balajee Medisolutions Private Limited	723.59	3.97%	57.99	8.01%	(1.10)	(0.15)%	(110.37)	(110.37)
Western Healthcare Solutions Private Limited	964.78	31.64%	80.10	8.30%	15.77	1.63%	1,051.25	1,051.25
Zennx Software Solutions Private Limited	-	N.A.	-	0.00%	(0.04)	N.M.	(3.70)	(3.70)
Swami Medisolutions Private Limited	185.16	401.71%	14.66	7.92%	(1.65)	(0.89)%	(165.27)	(165.27)
New RRPD Private Limited	230.93	173.58%	12.90	5.58%	(4.96)	(2.15)%	(496.22)	(496.22)
New Siva Agencies Private Limited	318.96	199.60%	22.84	7.16%	(1.71)	(0.53)%	(171.16)	(171.16)
City Pharma Distributors Private Limited	87.51	14.88%	5.65	6.46%	(6.52)	(7.45)%	(652.28)	(652.28)
Sri Rama Pharmaceutical Distributors Private Limited	1,630.00	9619.76%	109.36	6.71%	15.29	0.94%	3,058.86	3,058.86
Sri Parshva Pharma Distributors Private Limited	1,707.69	640.96%	165.75	9.71%	7.90	0.46%	790.05	790.05
SVS Lifesciences Private Limited	206.07	N.A.	14.42	7.00%	(2.02)	(0.98)%	(202.10)	(202.10)
S.S. Pharma Traders Private Limited	357.74	N.A.	44.23	12.36%	11.34	3.17%	1,133.89	1,133.89



Name of the Subsidiary	Revenue from operations	% growth in revenue from operations (compared to previous Fiscal)	Gross profit	Gross profit (as % of revenue from operations)	Profit after tax	Profit after tax (as % of revenue from operations)	Earnings per share (basic)	Earnings per share (diluted)
Saurashtra Medisolutions Private Limited*	272.43	N.A.	23.30	8.55%	(3.68)	(1.35)%	(367.71)	(367.71)
Entero R.S. Enterprises Private Limited**	NA	NA	NA	NA	NA	NA	NA	NA
Dhanvanthri Super Speciality Private Limited***	NA	NA	NA	NA	NA	NA	NA	NA

\* Saurashtra Medisolutions Private Limited was incorporated on January 21, 2022, and the financial statements of the Subsidiary for Fiscal 2023 were the first financial statements for the period beginning from the date of incorporation till March 31, 2023.

\*\* Entero R.S. Enterprises Private Limited was incorporated on June 28, 2023.

\*\*\* Dhanvanthri Super Speciality Private Limited was incorporated on December 11, 2023.

#### For Fiscal 2022:

(in ₹ million, except per share data and percentages)

Name of the Subsidiary	Revenue from operations	% growth in revenue from operations (compared to previous Fiscal)	Gross profit	Gross profit (as % of revenue from operations)	Profit after tax	Profit after tax (as % of revenue from operations)	Earnings per share (basic)	Earnings per share (diluted)
Novacare Healthcare Solutions Private Limited	2,838.38	36.49%	216.00	7.61%	(1.24)	(0.04)%	(0.11)	(0.11)
G.S. Pharmaceutical Distributors Private Limited	853.38	44.62%	58.70	6.88%	(5.89)	(0.69)%	(1.65)	(1.65)
R S M Pharma Private Limited	2,309.38	30.48%	185.79	8.05%	33.01	1.43%	22.38	22.38
Getwell Medicare Solution Private Limited	1,577.13	34.71%	139.02	8.81%	32.04	2.03%	4.00	4.00

<b>Name of the Subsidiary</b>	<b>Revenue from operations</b>	<b>% growth in revenue from operations (compared to previous Fiscal)</b>	<b>Gross profit</b>	<b>Gross profit (as % of revenue from operations)</b>	<b>Profit after tax</b>	<b>Profit after tax (as % of revenue from operations)</b>	<b>Earnings per share (basic)</b>	<b>Earnings per share (diluted)</b>
Sundarlal Pharma Distributors Private Limited	495.19	55.05%	31.62	6.38%	(8.10)	(1.63)%	(814.30)	(814.30)
Chhabra Healthcare Solutions Private Limited	639.71	3.79%	34.80	5.44%	(9.53)	(1.49)%	959.49	959.49
Galaxystar Pharma Distributors Private Limited	1,798.49	35.45%	109.02	6.06%	23.94	1.33%	2,377.58	2,377.58
Avenues Pharma Distributors Private Limited	2,279.44	16.87%	160.38	7.04%	3.84	0.17%	384.13	384.13
Chirag Medicare Solutions Private Limited	1,949.73	19.87%	172.29	8.84%	54.65	2.80%	546.46	546.46
Jaggi Enterprises Private Limited	1,015.76	40.07%	71.11	7.00%	4.23	0.42%	422.99	422.99
Chethana Healthcare Solutions Private Limited	477.73	31.46%	33.99	7.11%	3.40	0.71%	33.50	33.50
Vasavi Medicare Solutions Private Limited	774.62	43.95%	57.87	7.47%	3.37	0.44%	340.86	340.86
SVMED Solutions Private Limited	929.43	45.81%	77.06	8.29%	13.65	1.47%	1,365.01	1,365.01
Chethana Pharma Private Limited	1,955.49	22.38%	174.49	8.92%	58.54	2.99%	195.10	195.10
Millennium	1,318.50	34.53%	95.84	7.27%	8.65	0.66%	837.41	837.41

Name of the Subsidiary	Revenue from operations	% growth in revenue from operations (compared to previous Fiscal)	Gross profit	Gross profit (as % of revenue from operations)	Profit after tax	Profit after tax (as % of revenue from operations)	Earnings per share (basic)	Earnings per share (diluted)
Medisolutions Private Limited								
Rada Medisolutions Private Limited	587.65	23.76%	34.96	5.95%	1.72	0.29%	169.73	169.73
Barros Enterprises Private Limited	569.31	10.08%	62.91	11.05%	16.91	2.97%	1,676.99	1,676.99
Chethana Pharma Distributors Private Limited	90.19	198.27%	5.61	6.22%	(4.56)	(5.06)%	(456.03)	(456.03)
Sree Venkateshwar Medisolutions Private Limited	107.03	388.20%	7.43	6.94%	(1.94)	(1.82)%	(194.43)	(194.43)
CPD Pharma Private Limited	166.78	(10.70)%	8.48	5.09%	(3.85)	(2.31)%	376.63	376.63
Calcutta Medisolutions Private Limited	51.30	1,325.50 %	2.45	4.78%	(1.59)	(3.10)%	(160.62)	(160.62)
Curever Pharma Private Limited	171.34	N.M.	42.27	24.67%	(177.42)	(103.55)%	(17,742.00)	(17,742.00)
Quomed Lifesciences Private Limited	-	N.A.	-	0.00%	(0.04)	N.M.	(5.96)	(5.96)
Rimedio Pharma Private Limited	-	N.A.	-	0.00%	(0.04)	N.M.	(5.96)	(5.96)
Atreja Healthcare Solutions Private Limited*	132.21	N.A.	6.31	4.78%	(1.21)	(0.92)%	(120.80)	(120.80)
Sesha Balajee	695.98	60.28%	61.13	8.78%	13.94	2.00%	1,390.35	1,390.35

Name of the Subsidiary	Revenue from operations	% growth in revenue from operations (compared to previous Fiscal)	Gross profit	Gross profit (as % of revenue from operations)	Profit after tax	Profit after tax (as % of revenue from operations)	Earnings per share (basic)	Earnings per share (diluted)
Medisolutions Private Limited								
Western Healthcare Solutions Private Limited <sup>#</sup>	732.87	NA	65.13	8.89%	19.72	2.69%	1,728.16	1,728.16
Zennx Software Solutions Private Limited	-	NA	-	0.00%	(0.02)	N.M.	(1.76)	(1.76)
Swami Medisolutions Private Limited	36.90	NA	1.36	3.70%	(1.86)	(5.03)%	(185.84)	(185.84)
New RRPD Private Limited	84.41	NA	5.49	6.50%	1.06	1.26%	142.34	142.34
New Siva Agencies Private Limited	106.46	NA	7.47	7.02%	0.40	0.38%	53.22	53.22
City Pharma Distributors Private Limited <sup>\$</sup>	76.17	NA	3.48	4.57%	(3.07)	(4.03)%	(306.66)	(306.66)
Sri Rama Pharmaceutical Distributors Private Limited	16.77	NA	0.14	0.83%	(1.68)	(10.02)%	670.95	670.95
Sri Parshva Pharma Distributors Private Limited	230.47	NA	21.06	9.14%	1.36	0.59%	135.97	135.97
SVS Lifesciences Private Limited <sup>^</sup>	NA	NA	NA	NA	NA	NA	NA	NA
S.S. Pharma Traders	NA	NA	NA	NA	NA	NA	NA	NA

Name of the Subsidiary	Revenue from operations	% growth in revenue from operations (compared to previous Fiscal)	Gross profit	Gross profit (as % of revenue from operations)	Profit after tax	Profit after tax (as % of revenue from operations)	Earnings per share (basic)	Earnings per share (diluted)
Private Limited <sup>^</sup>								
Saurashtra Medisolutions Private Limited <sup>^</sup>	NA	NA	NA	NA	NA	NA	NA	NA
Entero R.S. Enterprises Private Limited <sup>^</sup>	NA	NA	NA	NA	NA	NA	NA	NA
Dhanvanthri Super Speciality Private Limited <sup>^</sup>	NA	NA	NA	NA	NA	NA	NA	NA

<sup>^</sup>The Subsidiaries were not in existence in Fiscal 2022 except Saurashtra Medisolutions Private Limited which was incorporated on January 21, 2022, as mentioned above.

\*Atreja Healthcare Solutions Private Limited was incorporated on February 12, 2021, and the financial statements of the Subsidiary for Fiscal 2022 were the first financial statements for the period beginning from the date of incorporation till March 31, 2022.

# Western Healthcare Solutions Private Limited was incorporated on March 12, 2021, and the financial statements of the Subsidiary for Fiscal 2022 were the first financial statements for the period beginning from the date of incorporation till March 31, 2022.

<sup>§</sup> City Pharma Distributors Private Limited was incorporated on March 8, 2021, and the financial statements of the Subsidiary for Fiscal 2022 were the first financial statements for the period beginning from the date of incorporation till March 31, 2022.

#### For Fiscal 2021:

(in ₹ million, except per share data and percentages)

Name of the Subsidiary	Revenue from operations	% growth in revenue from operations (compared to previous Fiscal)	Gross profit	Gross profit (as % of revenue from operations)	Profit after tax	Profit after tax (as % of revenue from operations)	Earnings per share (basic)	Earnings per share (diluted)
Novacare Healthcare Solutions Private Limited	2,079.57	(1.61)%	170.37	8.19%	(4.35)	(0.21)%	(0.40)	(0.40)
G.S. Pharmaceutical Distributors Private Limited	590.09	(2.86)%	45.60	7.73%	1.20	0.20%	0.32	0.32

Name of the Subsidiary	Revenue from operations	% growth in revenue from operations (compared to previous Fiscal)	Gross profit	Gross profit (as % of revenue from operations)	Profit after tax	Profit after tax (as % of revenue from operations)	Earnings per share (basic)	Earnings per share (diluted)
R S M Pharma Private Limited	1,769.86	22.49%	135.83	7.67%	7.03	0.35%	4.88	4.88
Getwell Medicare Solution Private Limited	1,170.78	(3.79)%	106.40	9.09%	12.23	1.04%	1.53	1.53
Sundarlal Pharma Distributors Private Limited	319.37	(15.36)%	16.03	5.02%	(21.47)	(6.72)%	(2,151.90)	(2,151.90)
Chhabra Healthcare Solutions Private Limited	616.37	(3.13)%	36.31	5.89%	(3.56)	(0.58)%	(362.13)	(362.13)
Galaxystar Pharma Distributors Private Limited	1,327.80	45.70%	71.41	5.38%	1.21	0.09%	109.81	109.81
Avenues Pharma Distributors Private Limited	1,950.34	14.92%	135.38	6.94%	(7.18)	(0.46)%	(718.32)	(718.32)
Chirag Medicare Solutions Private Limited	1,626.49	22.39%	137.98	8.48%	36.53	2.21%	365.31	365.31
Jaggi Enterprises Private Limited	725.18	32.80%	52.40	7.23%	(4.04)	(0.56)%	(417.12)	(417.12)
Chethana Healthcare Solutions Private Limited	363.42	21.07%	31.84	8.76%	3.40	0.94%	33.78	33.78
Vasavi Medicare Solutions Private Limited	538.12	32.90%	39.39	7.32%	(0.77)	(0.14)%	(86.90)	(86.90)

Name of the Subsidiary	Revenue from operations	% growth in revenue from operations (compared to previous Fiscal)	Gross profit	Gross profit (as % of revenue from operations)	Profit after tax	Profit after tax (as % of revenue from operations)	Earnings per share (basic)	Earnings per share (diluted)
SVMED Solutions Private Limited	637.44	110.68%	44.69	7.01%	6.47	1.02%	644.99	644.99
Chethana Pharma Private Limited	1,597.89	69.71%	141.33	8.84%	43.84	2.72%	145.71	145.71
Millennium Medisolutions Private Limited	980.11	82.53%	81.31	8.30%	4.96	0.51%	487.01	487.01
Rada Medisolutions Private Limited	474.82	220.21%	22.60	4.76%	(6.44)	(1.36)%	(643.78)	(643.78)
Barros Enterprises Private Limited	517.19	804.34%	57.08	11.04%	13.83	2.67%	1379.57	1379.57
Chethana Pharma Distributors Private Limited	30.24	N.M.	1.55	5.12%	(3.41)	(11.29)%	341.29	341.29
Sree Venkateshwar Medisolutions Private Limited	21.92	N.M.	1.20	5.49%	(2.12)	(9.66)%	(211.73)	(211.73)
CPD Pharma Private Limited	186.76	84.56%	7.73	4.14%	0.01	0.01%	1.22	1.22
Calcutta Medisolutions Private Limited	3.60	N.M.	0.56	15.45%	0.13	3.64%	17.81	17.81
Curever Pharma Private Limited	-	N.A.	-	0.00%	(10.28)	N.A.	(1,028.00)	(1,028.00)
Quomed Lifesciences Private Limited	-	N.A.	-	0.00%	(0.03)	N.M.	(3.01)	(3.01)

Name of the Subsidiary	Revenue from operations	% growth in revenue from operations (compared to previous Fiscal)	Gross profit	Gross profit (as % of revenue from operations)	Profit after tax	Profit after tax (as % of revenue from operations)	Earnings per share (basic)	Earnings per share (diluted)
Rimedio Pharma Private Limited	-	N.A.	-	0.00%	(0.03)	N.M.	(3.16)	(3.16)
Atreja Healthcare Solutions Private Limited^	NA	N.A.	NA	N.A.	NA	N.M.	NA	NA
Sesha Balajee Medisolutions Private Limited	434.22	584.34%	35.39	8.15%	1.83	0.42%	169.00	169.00
Western Healthcare Solutions Private Limited^	NA	NA	NA	NA	NA	NA	NA	NA
Zennx Software Solutions Private Limited^	NA	NA	NA	NA	NA	NA	NA	NA
Swami Medisolutions Private Limited^	NA	NA	NA	NA	NA	NA	NA	NA
New RRPD Private Limited^	NA	NA	NA	NA	NA	NA	NA	NA
New Siva Agencies Private Limited^	NA	NA	NA	NA	NA	NA	NA	NA
City Pharma Distributors Private Limited^	NA	NA	NA	NA	NA	NA	NA	NA
Sri Rama Pharmaceutical Distributors Private Limited^	NA	NA	NA	NA	NA	NA	NA	NA
Sri Parshva Pharma	NA	NA	NA	NA	NA	NA	NA	NA



<b>Name of the Subsidiary</b>	<b>Revenue from operations</b>	<b>% growth in revenue from operations (compared to previous Fiscal)</b>	<b>Gross profit</b>	<b>Gross profit (as % of revenue from operations)</b>	<b>Profit after tax</b>	<b>Profit after tax (as % of revenue from operations)</b>	<b>Earnings per share (basic)</b>	<b>Earnings per share (diluted)</b>
Distributors Private Limited <sup>^</sup>								
SVS Lifesciences Private Limited <sup>^</sup>	NA	NA	NA	NA	NA	NA	NA	NA
S.S. Pharma Traders Private Limited <sup>^</sup>	NA	NA	NA	NA	NA	NA	NA	NA
Saurashtra Medisolutions Private Limited <sup>^</sup>	NA	NA	NA	NA	NA	NA	NA	NA
Entero R.S. Enterprises Private Limited <sup>^</sup>	NA	NA	NA	NA	NA	NA	NA	NA
Dhanvanthri Super Speciality Private Limited <sup>^</sup>	NA	NA	NA	NA	NA	NA	NA	NA

<sup>^</sup>The subsidiaries were not in existence in Fiscal 2021, except Atreja Healthcare Solutions Private Limited which was incorporated on February 12, 2021, Western Healthcare Solutions Private Limited which was incorporated on March 12, 2021, and City Pharma Distributors Private Limited which was incorporated on March 8, 2021, as mentioned above.

## OUR MANAGEMENT

### Board of Directors

In accordance with the Companies Act and our 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 Prospectus, our Board comprises eight Directors, of which two are Executive Directors, three are Non-Executive Non-Independent Directors, and three are Independent Directors. One of our Independent Directors is a woman Director.

The following table sets forth details regarding our Board as of the date of this Prospectus.

S. No.	Name, DIN, Designation, Address, Occupation, Term, Period of Directorship and Date of Birth	Age (Years)	Other Directorships
1.	<p>Sujesh Vasudevan</p> <p><b>DIN:</b> 08240092</p> <p><b>Designation:</b> Chairperson and Non-Executive, Independent Director</p> <p><b>Address:</b> 1803, Tower 3, Raheja Tipco, Rani Sati Marg, Near Kathia Wadi Chowk, Malad East, Mumbai – 400097, Maharashtra, India</p> <p><b>Occupation:</b> Consultant/Advisor</p> <p><b>Term:</b> For a period of three years with effect from August 25, 2023</p> <p><b>Period of Directorship:</b> Since August 25, 2023</p> <p><b>Date of birth:</b> October 01, 1965</p>	58	<p><i>Indian Companies:</i></p> <p>Eris Lifesciences Limited</p> <p><i>Foreign Companies:</i></p> <p>NIL</p>
2.	<p>Prabhat Agrawal</p> <p><b>DIN:</b> 07466382</p> <p><b>Designation:</b> Managing Director and Chief Executive Officer</p> <p><b>Address:</b> 29th floor, 2901, N, Lodha World One, Senapati Bapat Marg, Upper Worli, Delisle Road, Mumbai- 400013, Maharashtra, India</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> For a period of five years with effect from August 26, 2023 and liable to retire by rotation.</p> <p><b>Period of Directorship:</b> Since January 10, 2018</p> <p><b>Date of birth:</b> January 24, 1977</p>	47	<p><i>Indian Companies:</i></p> <p>Curever Pharma Private Limited Avenues Pharma Distributors Private Limited SVMED Solutions Private Limited Chirag Medicare Solutions Private Limited Chethana Pharma Private Limited Getwell Medicare Solution Private Limited R S M Pharma Private Limited</p> <p><i>Foreign Companies:</i></p> <p>NIL</p>
3.	<p>Prem Sethi</p> <p><b>DIN:</b> 07077034</p> <p><b>Designation:</b> Whole-time Director and Chief Operating Officer.</p>	46	<p><i>Indian Companies:</i></p> <p>Chhabra Healthcare Solutions Private Limited Sesha Balajee Medisolutions Private Limited Sundarlal Pharma Distributors Private Limited Vasavi Medicare Solutions Private Limited Jaggi Enterprises Private Limited</p>

S. No.	Name, DIN, Designation, Address, Occupation, Term, Period of Directorship and Date of Birth	Age (Years)	Other Directorships
	<p><b>Address:</b> House No.03, Sector 37, Faridabad – 121003, Haryana, India</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> For a period of five years with effect from August 26, 2023 and liable to retire by rotation.</p> <p><b>Period of Directorship:</b> Since January 10, 2018</p> <p><b>Date of birth:</b> June 28, 1977</p>		<p>Millennium Medisolutions Private Limited</p> <p><i>Foreign Companies:</i></p> <p>NIL</p>
4.	<p>Sumona Chakraborty*</p> <p><b>DIN:</b> 09597426</p> <p><b>Designation:</b> Non-Executive, Non-Independent (Nominee) Director</p> <p><b>Address:</b> Flat 301B, Villa Queenie, Plot 369, 16th road, Bandra West, Mumbai- 400050, Maharashtra, India</p> <p><b>Occupation:</b> Service</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>Period of directorship:</b> Since August 24, 2023</p> <p><b>Date of birth:</b> January 10, 1988</p>	36	<p><i>Indian Companies:</i></p> <p>Adret Retail Private Limited Lifecell International Private Limited Laxmi Dental Export Private Limited</p> <p><i>Foreign Companies:</i></p> <p>NIL</p>
5.	<p>Vipul Indravadan Desai**</p> <p><b>DIN:</b> 08350894</p> <p><b>Designation:</b> Non-Executive, Non-Independent (Nominee) Director</p> <p><b>Address:</b> 701, Vinayak Kunj, 172, Nehru Road, Vile Parle East, Mumbai – 400057, Maharashtra, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>Period of Directorship:</b> Since March 25, 2019</p> <p><b>Date of birth:</b> May 8, 1978</p>	45	<p><i>Indian Companies:</i></p> <p>Call The Doc Healthcare Solutions Private Limited</p> <p><i>Foreign Companies:</i></p> <p>NIL</p>
6.	<p>Arun Sadhanandham*</p> <p><b>DIN:</b> 08445197</p> <p><b>Designation:</b> Non-Executive, Non-Independent (Nominee) Director</p> <p><b>Address:</b> Panorama 1601, The Address, LBS Road, Ghatkopar West, Mumbai – 400086, Maharashtra India</p>	39	<p><i>Indian Companies:</i></p> <p>H S Pathology Private Limited Lifewell Diagnostics Private Limited Suraksha Diagnostic Private Limited Blue Sapphire Healthcare Private Limited</p> <p><i>Foreign Companies:</i></p>

S. No.	Name, DIN, Designation, Address, Occupation, Term, Period of Directorship and Date of Birth	Age (Years)	Other Directorships
	<p><b>Occupation:</b> Professional</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>Period of Directorship:</b> Since August 25, 2020</p> <p><b>Date of birth:</b> September 23, 1984</p>		NIL
7.	<p>Rajesh Shashikant Dalal</p> <p><b>DIN:</b> 03504969</p> <p><b>Designation:</b> Non-Executive, Independent Director</p> <p><b>Address:</b> 7, La kozy Mansion, 21, Chowpatty Sea Face, Mumbai- 400007, Maharashtra, India</p> <p><b>Occupation:</b> Consultant/Advisor</p> <p><b>Term:</b> For a period of three years with effect from August 25, 2023</p> <p><b>Period of Directorship:</b> Since August 25, 2023</p> <p><b>Date of birth:</b> September 12, 1953</p>	70	<p><i>Indian Companies:</i></p> <p>Ascent Meditech Limited Biogenomics Limited</p> <p><i>Foreign Companies:</i></p> <p>NIL</p>
8.	<p>Sandhya Gadkari Sharma</p> <p><b>DIN:</b> 02005378</p> <p><b>Designation:</b> Non-Executive, Independent Director</p> <p><b>Address:</b> B-2006, 20<sup>th</sup> Floor Ashok Towers, 63/74, Dr. Ambedkar Road, Parel, Mumbai-400012, Maharashtra, India</p> <p><b>Occupation:</b> Consultant/Advisor</p> <p><b>Term:</b> For a period of three years with effect from August 25, 2023</p> <p><b>Period of Directorship:</b> Since August 25, 2023</p> <p><b>Date of birth:</b> October 26, 1960</p>	63	<p><i>Indian Companies:</i></p> <p>Magma HDI General Insurance Company Limited ICICI Home Finance Company Limited</p> <p><i>Foreign Companies:</i></p> <p>NIL</p>

\* Nominee of OrbiMed.

\*\* Nominee of PUFT.

#### Relationship between our Directors

None of our Directors are related to each other.

#### Brief Biographies of our Directors

**Sujesh Vasudevan** is the Chairperson and Non-Executive Independent Director of our Company. He obtained his bachelor's degree of pharmacy from the University of Bombay, a master's in management studies from University of Bombay and an advanced management program from Harvard Business School. He has more than 18 years of experience. He is currently an independent director in Eris Lifesciences Limited. Previously, he was associated with Glenmark Pharmaceuticals Limited, Abbott India Limited and Torrent Pharmaceuticals Limited.

**Prabhat Agrawal** is the Promoter, Managing Director and Chief Executive Officer of our Company and he is currently responsible for the overall business strategy, operations, financial performance and management of our Company. He obtained his bachelor's degree in commerce from Mumbai University and a master's degree in management from The Indian School of Business, Hyderabad. He is also a qualified Chartered Accountant with the Institute of Chartered Accountants of India and a Chartered Financial Analyst with the Institute of Chartered Financial Analysts, USA. He has more than 20 years of experience. Prior to joining our Company, he was associated as Chief Executive Officer with Alkem Laboratories Limited, as Group CFO with Metalrio Solutions SA, Brazil, as Deputy Operations Director with Frigoglass Industries Nigeria Limited, as member of Corporate Strategy and Business Development Cell with Aditya Birla Management Corporation Limited and other organizations in various managerial roles. He received the "CEO Of the Year – 2016" award at the 9th Annual Pharmaceutical Leadership Summit and Pharma Leaders Business Leadership Awards 2016.

**Prem Sethi** is the Promoter, Whole-time Director and Chief Operating Officer of our Company. He obtained his bachelor's degree in pharmacy from Rajiv Gandhi University of Health Sciences, Karnataka and a master's diploma in Clinical Research and Pharmacovigilance from James Lind Institute, Karnataka. He has more than 16 years of experience. Prior to joining our Company, he was associated as Director – Offering Development and Product Management with IQVIA Consulting and Information Services India Private Limited, as Senior Practice Leader with Excellence Data Research Private Limited, as Manager with WNS Global Services Private Limited, and as Business Analyst with Evalueserve Private Limited. He is currently responsible for development and product management in our Company. He received the Business Leader Award from Business Transformation Awards 2021 by Mint and Techcircle.

**Sumona Chakraborty** is a Non-Executive Non-Independent (Nominee) Director of our Company and a nominee of OrbiMed Asia III Mauritius Limited. She obtained her bachelor's degree of technology from National Institute of Technology, Warangal and a post graduate diploma in management from S.P. Jain Institute of Management & Research, Mumbai. She has more than 10 years of experience. She is currently a Vice President with OrbiMed Advisors India Private Limited and prior to joining OrbiMed Advisors India Private Limited (a wholly owned subsidiary of OrbiMed Advisors LLC), she was associated with Avendus Capital Private Limited, Equirus Capital Private Limited, and Verity Knowledge Solutions Private Limited.

**Vipul Indravadan Desai** is a Non-Executive Non-Independent (Nominee) Director of our Company and a nominee of Prasad Uno Family Trust. He obtained his bachelor's degree of commerce from University of Mumbai and a master's program in business administration in finance management from Indian School of Business Management & Administration. He has also passed the final examination conducted by the Institute of Chartered Accountants of India and is a qualified chartered accountant. He has 5 years of experience. Previously, he was associated with Akira Properties Private Limited.

**Arun Sadhanandham** is a Non-Executive Non-Independent (Nominee) Director of our Company and a nominee of OrbiMed Asia III Mauritius Limited. He obtained his bachelor's degree of engineering from the Anna University, Chennai and a post graduate diploma in management from Indian Institute of Management of Bengaluru. He has more than 13 years of experience. He is currently an Executive Director with OrbiMed Advisors India Private Limited and prior to joining OrbiMed Advisors India Private Limited (a wholly owned subsidiary of OrbiMed Advisors LLC), was associated with Kotak Mahindra Capital Company Limited, o3 Capital Global Advisory Private Limited and Mu Sigma Business Solution Private Limited.

**Rajesh Shashikant Dalal** is a Non-Executive Independent Director of our Company. He obtained his bachelor's degree of Technology from the Indian Institute of Technology, Madras. He has more than 34 years of experience. Previously, he was associated with OrbiMed Advisors India Private Limited (a wholly owned subsidiary of OrbiMed Advisors LLC) until 2014 and Johnson and Johnson Private Limited.

**Sandhya Gadkari Sharma** is a Non-Executive Independent Director of our Company. She obtained her bachelor's degree of commerce from the University of Bombay and a master's in management studies from University of Bombay. She has 38 years of experience. Previously, she was associated with Mahindra and Mahindra Limited and ICICI Bank Limited.

#### **Terms of appointment of our Directors**

### 1. Appointment details of our Managing Director

Prabhat Agrawal is the Managing Director and Chief Executive Officer of our Company. He was one of the first Directors of our Company. He was designated as Managing Director for a term of five years with effect from November 26, 2018, pursuant to a board resolution dated November 26, 2018. He was reappointed for a term of five years with effect from August 26, 2023, pursuant to a board resolution dated August 26, 2023, and a shareholders resolution dated September 7, 2023. He was paid remuneration of ₹ 34.53 million for the Fiscal Year ended on March 31, 2023.\*

Details of the remuneration that Prabhat Agrawal is entitled to receive as per the addendum to the employment agreement in the Fiscal Year 2024, and the other terms of his employment are enumerated below:

S. No.	Particulars	Remuneration per annum (₹ million)
1.	Basic salary	15.81
2.	House rent allowance	7.90
3.	Contributions towards provident fund	0.02
4.	Special allowance	7.86
5.	Ex-Gratia	0.01
6.	Children education allowance	0.002
7.	Variable Pay	33%

\* Total Remuneration paid for the Fiscal Year 2023 includes variable pay which is received for FY 2022 in FY 2023.

In addition, he is entitled to gratuity, leave with full pay or encashment and to be paid or reimbursed for all costs, charges and expenses including entertainment expenses subject to such ceiling as may be decided by the Board. Further, he is eligible to receive conveyance facilities, telephone, internet and other communication facilities and reimbursement of expenses.

### 2. Appointment details of our Whole-Time Directors

Prem Sethi is the Whole-Time Director and Chief Operating Officer of our Company. He was one of the first Directors of our Company. He was appointed as the Whole-time Director of our Company, for a term of 5 years with effect from August 26, 2023, pursuant to the board resolution dated August 26, 2023, and a shareholders resolution dated September 7, 2023. He was paid remuneration of ₹ 19.10 million for the Fiscal Year ended on March 31, 2023.\*

Details of the remuneration that Prem Sethi is entitled to receive as per the addendum to the employment agreement in the Fiscal Year 2024, and the other terms of his employment are enumerated below:

S. No.	Particulars	Remuneration per annum (₹ million)
1.	Basic salary	8.62
2.	House rent allowance	4.31
3.	Contributions towards provident fund and gratuity	0.02
4.	Special allowance	4.27
5.	Ex-Gratia	0.01
6.	Children education allowance	0.002
7.	Variable Pay	33%

\* Total Remuneration paid for the Fiscal Year 2023 includes Variable Pay which is received for FY 2022 in FY 2023.

In addition, he is entitled to gratuity, leave with full pay or encashment and to be paid or reimbursed for all costs, charges and expenses including entertainment expenses subject to such ceiling as may be decided by the Board. Further, he is eligible to receive conveyance facilities, telephone, internet and other communication facilities and reimbursement of expenses.

### Employment Agreements between our Company and Directors

Except for the employment agreements dated July 25, 2018 and addendum to the employment agreement entered into on September 6, 2023 between our Company with Prabhat Agrawal and Prem Sethi, as on the date of this Prospectus, there are no employment agreements between our Company and our Directors.

### 3. Remuneration paid to our Non – Executive, Non Independent Directors

None of our non-executive directors were paid any remuneration for the Fiscal Year 2023.

#### **4. Remuneration paid to our Independent Directors**

Pursuant to Board resolution dated August 25, 2023, our Independent Directors receive ₹ 0.05 million for each meeting of our Board and ₹ 0.025 million for attending each meeting of any committee of our Board and Commission as may be approved by the Board from time to time subject to the limits and necessary approvals as required under applicable laws. Further, our Independent Directors are eligible to be paid a compensation of up to ₹ 2.5 million per annum exclusive of sitting fees and reimbursement of expenses from Fiscal Year 2024 to Fiscal Year 2026.

As the Independent Directors have been appointed on the Board in the present Fiscal Year, hence no remuneration has been paid in the Fiscal Year 2023.

#### **Deferred or contingent compensation**

Except for Prabhat Agrawal and Prem Sethi who were paid variable pay for the Fiscal Year 2022 in the Fiscal Year 2023, there is no deferred or contingent compensation payable to any of our Directors for the Fiscal Year 2023.

#### **Remuneration from Subsidiaries**

None of our Directors have been paid any remuneration by our Subsidiaries, including contingent or deferred compensation accrued for the year during the Fiscal Year 2023.

#### **Shareholding of our Directors in our Company**

As per our Articles of Association, our Directors are not required to hold any qualification shares.

For details of the shareholding of our Directors in our Company, see “*Capital Structure – Details of the Shareholding of our Directors and Key Managerial Personnel and Senior Management*” on page 115.

None of our Directors hold any employee stock options.

#### **Arrangement or Understanding with Major Shareholders, Customers, Suppliers or Others**

Except for Prabhat Agrawal, Prem Sethi, Arun Sadhanandham, Sumona Chakraborty and Vipul Indravadan Desai, none of our Directors have been presently appointed or selected as a director pursuant to any arrangement or understanding with our major shareholders, customers, suppliers, or others. Further, Prabhat Agrawal and Prem Sethi were entitled to an adjustment to their respective CCPS conversion ratios under the third addendum to the Shareholders Agreement. For details, see “*History and Certain Corporate Matters - Agreements with Key Managerial Personnel, Senior Management Personnel, Director, Promoters or any other employee*” on page 214.

Except for the employment agreements dated July 25, 2018 and addendum to the employment agreement entered into on September 6, 2023 between our Company with Prabhat Agrawal and Prem Sethi, there are no contracts appointing or fixing the remuneration of the Directors of our Company entered into within, or prior to the two years immediately preceding the date of this Prospectus.

#### **Interest of Directors**

All of our Directors may be deemed to be interested to the extent of (i) sitting fees, if any, payable to them for attending meetings of our Board and committees of our Board and other remuneration or commission, if any, payable or reimbursement of expenses to them under our Articles of Association or to the extent of services rendered as an officer or employee of our Company, (ii) Equity Shares, if any, already held by them or their relatives or any firms, companies and trusts in which our Directors are interested as a director, member, partner or trustee, in our Company, or that may be Allotted to them in the Offer in terms of the Red Herring Prospectus and this Prospectus and any dividend payable to them and other benefits arising out of such shareholding, (iii) transactions entered into in the ordinary course of business with companies in which our Directors hold directorship, and (iv) their directorship on the board of directors of, and/or their shareholding in our Company, Subsidiaries and our Group Companies, as applicable.

Except for Prabhat Agrawal and Prem Sethi who are Promoters of our Company, none of our Directors are interested in the promotion or formation of our Company.

Except for any dividend that may be payable to Prabhat Agrawal and Prem Sethi, in their capacity as a Shareholder of our Company, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered as a director of our Company.

Our Directors have not entered into any service contracts with our Company providing for benefits upon termination of their employment except in case of Prabhat Agrawal and Prem Sethi for termination without cause or specific forms of disability or death (a) being 12 months of fixed component of their respective compensation; and (b) non-compete fee in accordance with the terms of the respective employment agreement, as applicable.

None of our Directors is a party to any bonus or profit-sharing plan by our Company.

Our Directors have no interest in any property acquired by our Company preceding the date of this Prospectus or proposed to be acquired by our Company or of our Company.

Our Directors are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Directors or to such firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or company in which he is interested, in connection with the promotion or formation of our Company.

None of our Directors have any interest in our business other than as disclosed in this section and in “*Our Promoters and Promoter Group*”, “*Our Group Companies*” and “*Other Financial Information – Related Party Transactions*”, on pages 273, 486, and 396 respectively.

None of our Directors have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

No loans have been availed by our Directors from our Company.

### Confirmations

None of our Directors is, or was a director of any listed company during the five years immediately preceding the date of this Prospectus, whose shares have been, or were suspended from being traded on any of the stock exchanges in India during their tenure in such company.

None of our Directors is or was a director of any company which has been, or was delisted from any stock exchange in India during their tenure in such company.

### Changes in our Board during the Last Three Years

The changes in our Board in the three immediately preceding years are set forth below:

S. No.	Name	Effective Date of Appointment/ Cessation	Reason
1.	Arun Sadhanandham	August 25, 2020	Appointment as Non-Executive, Non-Independent Director*
2.	Sunny Sharma	August 23, 2023	Resignation as Non-Executive, Non-Independent Director
3.	Sumona Chakraborty	August 24, 2023	Appointment as Non-Executive, Non-Independent (Nominee) Director**
4.	Rajesh Shashikant Dalal	August 25, 2023	Appointment as Non-Executive, Independent Director**
5.	Sujesh Vasudevan	August 25, 2023	Appointment as Non-Executive, Independent Director**
6.	Sandhya Gadkari Sharma	August 25, 2023	Appointment as Non-Executive, Independent Director**
7.	Arun Sadhanandham	August 25, 2023	Change in designation <sup>^</sup>
8.	Vipul Indravadan Desai	August 25, 2023	Change in designation <sup>^</sup>



\* Regularized on September 1, 2020.

\*\* Regularized on September 7, 2023.

^ Approved by the Shareholders through a resolution dated September 7, 2023.

## **Borrowing Powers of our Board**

Pursuant to our Articles of Association, Board resolution dated August 25, 2023 and Shareholders resolution dated September 7, 2023, subject to applicable laws, our Board is authorised to borrow in any manner from time to time any sum or sums of monies at its discretion on such terms and conditions as the Board of Directors may deem fit, which together with the monies already borrowed by our Company (apart from temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of ₹ 6,000 million or limits prescribed under section 180 (1) (c) as amended from time to time, whichever is higher.

## **Corporate Governance**

The provisions relating to corporate governance prescribed under the SEBI Listing Regulations will be applicable to us immediately upon listing of the Equity Shares on the Stock Exchanges. We are in compliance with the requirements of corporate governance with respect to composition of Board and constitution of the committees of the Board, including the audit committee, stakeholder's relationship committee, nomination and remuneration committee and risk management committee by our Company and formulation and adoption of policies, as prescribed under the SEBI Listing Regulations.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations. The Board of Directors function either as a full board, or through various committees constituted to oversee specific operational areas.

## **Committees of our Board**

In addition to the committees of our Board described below, our Board may constitute committees for various functions from time to time.

### *Audit Committee*

The members of our Audit Committee are:

<b>Name of the Directors</b>	<b>Designation</b>	<b>Designation in Committee</b>
Sandhya Gadkari Sharma	Non-Executive, Independent Director	Chairperson
Sujesh Vasudevan	Non-Executive, Independent Director	Member
Rajesh Shashikant Dalal	Non-Executive, Independent Director	Member
Prabhat Agrawal	Managing Director and Chief Executive Officer	Member

Our Audit Committee was constituted by our Board pursuant to a resolution dated August 25, 2023. The terms of reference of the Audit Committee were approved by our Board pursuant to a resolution dated August 25, 2023.

The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations and its terms of reference are as disclosed below:

- (a) Overseeing the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (b) Recommendation to the Board for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company including the internal auditor, cost auditor and statutory auditor of the Company, and fixation of the audit fee payable to such auditors;
- (c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

- (d) To approve the key performance indicators being included in the offer documents in connection with the proposed initial public offer by the Company;
- (e) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - (i) matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause 1(c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (ii) changes, if any, in accounting policies and practices and reasons for the same;
  - (iii) major accounting entries involving estimates based on the exercise of judgment by management;
  - (iv) significant adjustments made in the financial statements arising out of audit findings;
  - (v) compliance with listing and other legal requirements relating to financial statements;
  - (vi) disclosure of any related party transactions;
  - (vii) qualifications and modified opinion(s) in the draft audit report;
- (f) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- (g) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
- (h) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (i) Formulating a policy on related party transactions, which shall include materiality of related party transactions;
- (j) Approval or any subsequent modification of transactions of the Company with related parties; All related party transactions shall be approved by only Independent Directors who are the members of the committee and the other members of the committee shall recuse themselves on the discussions related to related party transactions;
 

Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.
- (k) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
- (l) Laying down the criteria for granting omnibus approval in line with the Company's policy on related party transactions;
- (m) Scrutiny of inter-corporate loans and investments;
- (n) Valuation of undertakings or assets of the Company, wherever it is necessary; Appointment of Registered Valuer under Section 247 of the Companies Act, 2013.
- (o) Evaluation of internal financial controls and risk management systems;

- (p) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (q) 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;
- (r) Discussion with internal auditors of any significant findings and follow up thereon;
- (s) 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;
- (t) 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;
- (u) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (v) To review the functioning of the whistle blower mechanism;
- (w) Approval of appointment of chief financial officer (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (x) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 1,000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- (y) To formulate, review and make recommendations to the Board to amend the Terms of Reference of Audit Committee from time to time;
- (z) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances, with the chairperson of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
- (aa) Reviewing compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively;
- (bb) To consider the rationale, cost, benefits and impact of schemes involving merger, demerger, amalgamation etc. of the Company and provide comments to the Company and its shareholders;
- (cc) Reviewing:
  - (i) Any show cause, demand, prosecution and penalty notices against the Company or its Directors which are materially important including any correspondence with regulators or government agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies;
  - (ii) Any material default in financial obligations by the Company;
  - (iii) Any significant or important matters affecting the business of the Company; and
- (dd) Carrying out any other functions as provided under the provisions of the Companies Act, the SEBI Listing Regulations and other applicable laws, and carrying out any other functions as may be required / mandated and/or delegated by the Board as per the provisions of the Companies Act, 2013, SEBI Listing Regulations, uniform listing agreements and/or any other applicable laws or by any regulatory authority

and performing such other functions as may be necessary or appropriate for the performance of its duties.

The powers of the Audit Committee include the following:

- (a) to investigate any activity within its terms of reference;
- (b) to seek information from any employees of the Company;
- (c) to obtain outside legal or other professional advice;
- (d) to secure attendance of outsiders with relevant expertise, if it considers necessary;
- (e) Such powers as may be prescribed under the Companies Act and the SEBI Listing Regulations.

The Audit Committee shall mandatorily review the following information:

- (a) management's discussion and analysis of financial condition and results of operations;
- (b) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (c) internal audit reports relating to internal control weaknesses;
- (d) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
- (e) the examination of the financial statements and the auditors' report thereon;
- (f) statement of deviations:
  - (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations; and
  - (ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations.
- (g) the financial statements, in particular, the investments made by any unlisted subsidiary; and
- (h) Such information as may be prescribed under the Companies Act and SEBI Listing Regulations.

The Audit Committee is required to meet at least four times in a year with a maximum interval of 120 days between two meetings in accordance with the SEBI Listing Regulations. The Audit Committee has the authority to investigate into any matter in relation to the items specified under the terms of reference or such other matter as may be referred to it by our Board for such purpose.

#### *Nomination and Remuneration Committee*

The members of the Nomination and Remuneration Committee are:

<b>Name of the Directors</b>	<b>Designation</b>	<b>Designation in Committee</b>
Rajesh Shashikant Dalal	Non-Executive, Independent Director	Chairperson
Sujesh Vasudevan	Non-Executive, Independent Director	Member
Arun Sadhanandham	Non-Executive, Non-Independent (Nominee) Director	Member

The Nomination and Remuneration Committee was constituted by our Board pursuant to a resolution dated August 25, 2023. The terms of reference of the Nomination and Remuneration Committee were approved by our Board pursuant to a resolution dated August 25, 2023.

The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act, Regulation 19 of the SEBI Listing Regulations, and its terms of reference are as disclosed below:

- (a) Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel, senior management and other employees.
- (b) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - (i) use the services of an external agencies, if required;
  - (ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - (iii) consider the time commitments of the candidates;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
  - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- (c) Formulating criteria for evaluation of performance of independent directors and the Board;
  - (d) Devising a policy on diversity of Board;
  - (e) 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 and shall specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;
  - (f) Extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
  - (g) Recommending to the board, all remuneration, in whatever form, payable to senior management;
  - (h) Analysing, monitoring and reviewing various human resource and compensation matters, including the compensation strategy;
  - (i) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
  - (j) Recommending the remuneration, in whatever form, payable to non-executive directors and the senior management personnel and other staff (as deemed necessary), in accordance with the terms and limits prescribed under applicable laws;
  - (k) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

- (l) Administering, monitoring and formulating detailed terms and conditions of the Employees Stock Option Scheme of the Company;
- (m) Framing suitable policies and systems to ensure that there is no violation, as amended from time to time, of any securities laws or any other applicable laws in India or overseas, including:
  - (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
  - (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended;
- (n) Performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (including functions to be performed by the Compensation Committee under these regulations), the Companies Act, each as amended or other applicable law;
- (o) Administering any employee stock option scheme/plan approved by the Board and shareholders of the Company including the “Entero Employee Stock Option Plan, 2023” approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan (“**ESOP Scheme**”) including the following:
  - (i) Determining the eligibility of employees to participate under the ESOP Scheme;
  - (ii) Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;
  - (iii) Date of grant;
  - (iv) Determining the exercise price of the option under the ESOP Scheme;
  - (v) The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;
  - (vi) The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;
  - (vii) The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;
  - (viii) The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
  - (ix) Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;
  - (x) The grant, vest and exercise of option in case of employees who are on long leave;
  - (xi) the vesting and exercise of option in case of grantee who has been transferred or whose services have been seconded to any other entity within the group at the instance of the Company;
  - (xii) Allow exercise of unvested options on such terms and conditions as it may deem fit;
  - (xiii) The procedure for cashless exercise of options;
  - (xiv) Forfeiture/ cancellation of options granted;
  - (xv) arranging to get the shares issued under the ESOP Scheme listed on the stock exchanges on which the equity shares of the Company are listed or maybe listed in future.

(xvi) Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:

- the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
- for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and

the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.

- (p) Construing and interpreting the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan (“**ESOP Scheme**”) and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;
- (q) engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy; and
- (r) Performing such other functions as may be necessary or appropriate for the performance of its duties as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The Nomination and Remuneration Committee is required to meet at least once every year in accordance with the SEBI Listing Regulations.

#### *Stakeholders’ Relationship Committee*

The members of the Stakeholders’ Relationship Committee are:

<b>Name of the Directors</b>	<b>Designation</b>	<b>Designation in Committee</b>
Rajesh Shashikant Dalal	Non-Executive, Independent Director	Chairperson
Arun Sadhanandham	Non-Executive, Non-Independent (Nominee) Director	Member
Prem Sethi	Whole-Time Director and Chief Operating Officer	Member

The Stakeholders’ Relationship Committee was constituted by our Board pursuant to a resolution dated August 25, 2023. The terms of reference of the Stakeholders’ Relationship Committee were approved by our Board pursuant to a resolution dated August 25, 2023.

The scope and functions of the Stakeholders’ Relationship Committee are in accordance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations, and its terms of reference are as disclosed below:

- (a) Redressal of all security holders’ and investors’ grievances such as complaints related to transfer/transmission of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, dematerialisation and re-materialisation of shares, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc., assisting with quarterly reporting of such complaints and formulating procedures in line with statutory guidelines to ensure speedy disposal of various requests received from shareholders;
- (b) Resolving the grievances of the security holders of the Company including complaints related to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities,

non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;

- (c) Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
- (d) Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of our Company and to recommend measures for overall improvement in the quality of investor services;
- (e) Review of measures taken for effective exercise of voting rights by shareholders;
- (f) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar & share transfer agent;
- (g) Considering and specifically looking into various aspects of interest of shareholders, debenture holders and other security holders;
- (h) To approve allotment of shares, debentures or any other securities as per the authority conferred / to be conferred to the Committee by the Board of Directors from time to time;
- (i) To investigate complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- (j) To approve requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialization, rematerialisation etc. of shares, debentures and other securities;
- (k) To monitor and expedite the status and process of dematerialization and rematerialisation of shares, debentures and other securities of the Company;
- (l) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
- (m) To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
- (n) Allotment and listing of shares;
- (o) To authorise affixation of common seal of the Company;
- (p) To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
- (q) To dematerialize or rematerialize the issued shares;
- (r) Ensure proper and timely attendance and redressal of investor queries and grievances;
- (s) To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).
- (t) 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.
- (u) performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations and the Companies Act or other applicable law.

The Stakeholders' Relationship Committee is required to meet at least once in a year in accordance with the SEBI Listing Regulations.



### *Risk Management Committee*

The members of the Risk Management Committee are:

<b>Name of the Directors</b>	<b>Designation</b>	<b>Designation in Committee</b>
Prabhat Agrawal	Managing Director and Chief Executive Officer	Chairperson
Arun Sadhanandham	Non-Executive, Non-Independent (Nominee) Director	Member
Sandhya Gadkari Sharma	Non-Executive, Independent Director	Member
CV Ram	Group Chief Financial Officer	Member
Jayant Prakash	Vice President - General Counsel, Company Secretary and Compliance Officer	Member and Secretary

The Risk Management Committee was constituted by our Board pursuant to a resolution dated August 25, 2023. The terms of reference of the Risk Management Committee were approved by our Board pursuant to a resolution dated August 25, 2023. Its terms of reference are as disclosed below:

- (a) To formulate a detailed risk management policy covering risk across functions and plan integration through training and awareness programmes which shall include:
  - (i) A framework for identification of internal and external risks specifically faced by the listed entities, in particular including financial, operational, sectoral, sustainability (particularly environmental, social and governance related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;
  - (ii) Measures for risk mitigation including systems and processes for internal control of identified risks; and
  - (iii) Business continuity plan.
- (b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (c) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (d) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (e) To set out risk assessment and minimization procedures and the procedures to inform the Board of the same;
- (f) To frame, implement, review and monitor the risk management policy for the Company and such other functions, including cyber security;
- (g) To review the status of the compliance, regulatory reviews and business practice reviews;
- (h) To approve the process for risk identification and mitigation;
- (i) To decide on risk tolerance and appetite levels, recognizing contingent risks, inherent and residual risks including for cyber security;
- (j) To monitor the Company's compliance with the risk structure. Assess whether current exposure to the risks it faces is acceptable and that there is an effective remediation of non-compliance on an on-going basis;
- (k) To approve major decisions affecting the risk profile or exposure and give appropriate directions;

- (l) To consider the effectiveness of decision making process in crisis and emergency situations;
- (m) To balance risks and opportunities;
- (n) To generally, assist the Board in the execution of its responsibility for the governance of risk;
- (o) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (p) The appointment, removal and terms of remuneration of the chief risk officer (if any) shall be subject to review by the Risk Management Committee;
- (q) To review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof;
- (r) To implement and monitor policies and/or processes for ensuring cyber security;
- (s) To review and recommend potential risk involved in any new business plans and processes;
- (t) To review the Company’s risk-reward performance to align with the Company’s overall policy objectives;
- (u) To monitor and review regular updates on business continuity;
- (v) The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
- (w) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors;
- (x) To advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy; and
- (y) Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.”

In addition to the above, our Company has also constituted IPO Committee.

*IPO Committee*

The members of the IPO Committee are:

<b>Name of the Directors</b>	<b>Designation</b>	<b>Designation in Committee</b>
Prabhat Agrawal	Managing Director and Chief Executive Officer	Chairperson
Arun Sadhanandham	Non-Executive, Non-Independent (Nominee) Director	Member
Vipul Indravadan Desai	Non-Executive, Non-Independent (Nominee) Director	Member

The IPO Committee was constituted by our Board pursuant to a resolution dated August 25, 2023. The terms of reference of the IPO Committee were approved by our Board pursuant to a resolution dated August 25, 2023. Its terms of reference are as disclosed below:

- a) To decide, negotiate and finalize, in consultation with the book running lead managers appointed in relation to the Offer (the “**BRLMs**”), all matters regarding the Pre-IPO Placement of ‘specified securities’ (as defined under regulation 2(eee) of the Securities and Exchange Board of India (Issue of

Capital and Disclosure Requirements) Regulations, 2018) of the Company, if any, out of the fresh issue of Equity Shares by the Company in the Offer, decided by the Board, including entering into discussions and execution of all relevant documents with investors, in consultation with the BRLMs and such other relevant stakeholders as may be required described in the offer-related agreements;

- b) To amend the terms of participation by the Selling Shareholders in the Offer for Sale;
- c) To approve amendments to the memorandum of association and the articles of association of the Company;
- d) To take all actions as may be necessary and authorised in connection with the offer for sale and to approve and take on record the approval of the selling shareholder(s) for offering their Equity Shares in the offer for sale and the transfer of Equity Shares in the offer for sale including the quantum in terms of number of Equity Shares/amount offered by the Selling Shareholders in the Offer, allowing revision of the offer for sale portion in case any Selling Shareholder decides to revise it, in accordance with the Applicable Laws;
- e) To decide on other matters in connection with or incidental to the Offer, including the pre-IPO placement, timing, pricing and terms of the Equity Shares, the Offer price, the price band, the size and all other terms and conditions of the Offer including the number of Equity Shares to be offered and transferred in the Offer, the bid / Offer opening and bid/Offer closing date, discount (if any), reservation, determining the anchor investor portion, issue price for anchor investors and allocating such number of Equity Shares to anchor investors in consultation with the BRLMs and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”) and to do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including to make any amendments, modifications, variations or alterations in relation to the Offer and/or reservation on a competitive basis, and rounding off, if any, in the event of oversubscription and in accordance with applicable laws, and/or any discount to be offered to retail individual bidders or eligible employees participating in the Offer and to constitute such other committees of the Board, as may be required under Applicable Laws, including as provided in the Companies Act, 2013, as amended, (“Companies Act, 2013”) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI Listing Regulations**”);
- f) To make applications, seek clarifications, obtain approvals and seek exemptions from, where necessary the Government of India, SEBI, the Stock Exchanges, the RoC and any other governmental or statutory authorities as may be required in connection with the Offer and accept on behalf of the Company such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required and wherever necessary, incorporate such modifications / amendments as may be required in the DRHP, RHP and Prospectus, as applicable;
- g) To finalize, settle, approve, adopt and file in consultation with the BRLMs where applicable, the DRHP, the updated DRHP, the RHP, the Prospectus, the preliminary and final international wrap and any amendments (including dating of such documents), supplements, notices, reply to observations, addenda or corrigenda thereto, together with any summaries thereof as may be considered desirable or expedient, the bid cum application forms, abridged prospectus, confirmation of allocation notes and any other document in relation to the Offer as finalised by the Company, and take all such actions as may be necessary for the submission, filing and/or withdrawal of these documents including incorporating such alterations/corrections/ modifications as may be required by SEBI, the RoC or any other relevant governmental and statutory authorities or in accordance with Applicable Laws;
- h) To appoint, instruct and enter into and terminate arrangements with the BRLMs, and appoint and enter into and terminate arrangements, in consultation with the BRLMs, with intermediaries, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, refund bankers to the Offer, registrars to the Offer, public offer account bankers to the Offer, sponsor banks, legal advisors, auditors, independent chartered accountants, advertising agency, depositories, custodians, grading agency, monitoring agency, industry expert, credit rating agencies, printers, and any other agencies or persons or intermediaries whose appointment is required in relation to the Offer including any successors or replacements thereof, and to negotiate, finalise and amend the terms of their appointment, including but not limited to the execution of the engagement letter with the BRLMs and

negotiation, finalization, execution and, if required, amendment or termination of the Offer agreement with the BRLMs and the selling shareholders, if any;

- i) To decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any;
- j) To negotiate, finalise and settle and to execute and deliver or arrange the delivery of the DRHP, the RHP, the Prospectus, Offer agreement, syndicate agreement, underwriting agreement, share escrow agreement, cash escrow and sponsor bank agreement, ad agency agreement, agreements with the registrar to the issue and all other documents, deeds, agreements and instruments whatsoever with the registrar to the Offer, legal advisors, auditors, stock exchange(s), BRLMs and any other agencies/intermediaries in connection with the Offer with the power to authorise one or more officers of the Company to execute all or any of the aforesaid documents or any amendments thereto as may be required or desirable in relation to the Offer;
- k) To authorise the maintenance of a register of holders of the Equity Shares;
- l) To seek, if required, the consent and/or waiver of the lenders of the Company and/or lenders to the subsidiary (if applicable), industry data provider, customers, suppliers, vendors, 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 and/or waivers that may be required in relation to the Offer or any actions connected therewith;
- m) To open and operate bank accounts in terms of the escrow agreement and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- n) To open and operate bank accounts of the Company in terms of Section 40(3) of the Companies Act, 2013, as amended, with a scheduled commercial bank to receive applications along with application monies, handling refunds, and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- o) To authorize and approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;
- p) To accept and appropriate the proceeds of the Offer in accordance with the Applicable Laws;
- q) To approve codes of conduct as may be considered necessary or as required under Applicable Laws, regulations or guidelines for the Board, officers of the Company and other employees of the Company;
- r) To implement any corporate governance requirements that may be considered necessary by the Board or the any other committee or as may be required under the Applicable Laws, including the SEBI Listing Regulations and the uniform listing agreements to be entered into by the Company with the relevant stock exchanges, to the extent allowed under law;
- s) To issue receipts/allotment letters/confirmation 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 exchanges, with power to authorize one or more officers of the Company or the Registrar to the Offer to sign all or any of the aforesaid documents;
- t) To authorize and approve notices, advertisements in relation to the Offer, in accordance with the SEBI ICDR Regulations and other Applicable Laws, in consultation with the relevant intermediaries appointed for the Offer;
- u) To do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, including without limitation, to finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of allotment letters/confirmation of allotment notes, share certificates in accordance with the relevant rules, in consultation with the BRLMs;

- v) To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign and / or modify, as the case maybe, agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, authorities or bodies as may be required in this connection and to authorize one or more officers of the Company to execute all or any of the afore-stated documents;
- w) To make applications for listing of the Equity Shares in one or more stock exchanges for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchanges in connection with obtaining such listing including without limitation, entering into listing agreements and affixing the common seal of the Company where necessary;
- x) To settle all questions, difficulties or doubts that may arise in regard to the Offer, including such issues or allotment, terms of the Offer, utilisation of the Offer proceeds and matters incidental thereto as it may deem fit;
- y) authorizing any concerned person on behalf of the Company to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time in relation to the Offer;
- z) authorizing any officers (the “Authorized Officers”), for and on behalf of the Company, to negotiate, finalize, execute, deliver and terminate, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that any such Authorized Officer considers necessary, desirable or advisable, in connection with the Offer, including, without limitation, engagement letter(s), memoranda of understanding, the uniform listing agreements with the relevant stock exchanges, the registrar’s agreement, the depositories agreements, the offer agreement with the Selling Shareholders and the book running lead managers (and other entities as appropriate), the underwriting agreement, the share escrow agreement, the syndicate agreement, the cash escrow and sponsor bank agreement, confirmation of allocation notes, the advertisement agency agreement, and any agreement or document in connection with any Pre-IPO Placement (including any placement agreement, escrow agreement and Offer documentation), with, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Offer by the book running lead managers, syndicate members, placement agents, registrar to the Offer, bankers to the Offer, underwriters, escrow agents, accountants, auditors, legal counsel, depositories, credit rating agencies, advertising agencies, monitoring agencies, and all such persons or agencies as may be involved in or concerned with the Offer; and any such agreements or documents so executed and delivered and acts 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;
- aa) To submit undertaking/certificates or provide clarifications to the SEBI, the RoC and the relevant stock exchanges where the Equity Shares are to be listed;
- bb) To approve suitable policies on insider trading, whistle-blowing, risk management, and any other policies as may be required under the SEBI Listing Regulations or any other Applicable Laws;
- cc) To approve the list of ‘group companies’ of the Company, identified pursuant to the materiality policy adopted by the Board, for the purposes of disclosure in the DRHP, RHP and Prospectus;
- dd) To withdraw the DRHP or the RHP or to decide to not proceed with the Offer at any stage in accordance with Applicable Laws and in consultation with the BRLMs; and
- ee) To delegate any of its powers set out under (a) to (w) hereinabove, as may be deemed necessary and permissible under Applicable Laws to the officials of the Company.”

## Management Organisation Structure



### Key Managerial Personnel of our Company

In addition to Prabhat Agrawal and Prem Sethi who are the Managing Director and Chief Executive Officer and Whole-time director and Chief Operating Officer of our Company, whose details are provided in “*Our Management – Brief Biographies of our Directors*” on page 252. The details of our other Key Managerial Personnel as of the date of this Prospectus are set forth below:

**CV Ram** is the Group Chief Financial Officer of our Company. He obtained his bachelor’s degree in commerce from Pondicherry University. He is an associate member of the Institute of Chartered Accountants of India. He has more than 26 years of experience. Prior to joining our Company, he was associated as Chief Financial Officer with API Holdings Limited, as Director of Finance and Commercial with Impresario Entertainment & Hospitality Private Limited, as Chief Financial Officer with Apollo Health and Lifestyle Limited, as Vice President with Genpact India Limited, as Deputy General Manager – Finance with Bharti Airtel Limited, as Manager with Max New York Life Insurance Company Limited and as Senior Accounts Officer with Nagarjuna Fertilisers and Chemicals Limited. He has been featured in the CFO Power List 2019 by CoreMedia as Investor Relations Icon and has received the award for exceptional performance and achievement as CA Professional Achiever in healthcare sector by the Institute of Chartered Accountants of India for the year 2017. He is currently responsible for strategic finance, investor relations, planning, financial reporting, treasury, compliance and controls. He has been associated with our Company since January 31, 2023. In the Fiscal Year 2023, he received a remuneration of ₹ 3.60 million.<sup>^</sup>

<sup>^</sup>Includes remuneration paid from January 31, 2023, till March 31, 2023.

**Jayant Prakash** is the Vice President - General Counsel, Company Secretary and Compliance Officer of our Company. He obtained a bachelor’s degree in corporate secretaryship from Pondicherry University, a bachelor’s degree in law from Delhi University and a master’s degree in business administration from the Institute of Chartered Financial Analysts of India University, Tripura. He also holds an advanced diploma in computer integrated management (finance and accounts) from First Computers, Patna and is fellow member of the Institute of Company Secretaries of India. He has more than 19 years of experience. Prior to joining our Company, he was associated as Director Legal & Secretarial with Emcure Pharmaceuticals Limited, as Compliance Officer, Company Secretary and Head of Legal with Metropolis Healthcare Limited, as Chief Manager with L&T Financial Services Limited, as Vice President – Company Secretary and Compliance Officer with Elara Capital (India) Private Limited, as Vice President – Legal and Secretarial with Sushil Financial Services Private Limited, as AVP Compliance with Vivro Financial Services Private Limited, as Company Secretary with Fact Enterprise Limited, as Company Secretary with Chemicals International Limited and as Assistant Company Secretary with Machino Plastics Limited. He is currently responsible for legal, secretarial, compliance, M&A and legal strategic advisory in our Company. He has been associated with our Company since November 1, 2021. In the Fiscal Year 2023, he received a remuneration of ₹ 4.13 million.\*

\*Total Remuneration paid for Fiscal Year 2023 includes Variable Pay which is received for FY 2022 in FY 2023.

### Senior Management of our Company

In addition to CV Ram and Jayant Prakash the Chief Financial Officer and the Company Secretary and Compliance Officer of our Company, respectively, whose details are provided in “– Key Managerial Personnel”

on page 270, the details of our other Senior Management are set out below:

**Sambit Mohanty** is the President - Institutional Business of our Company. He obtained his bachelor's of science from Utkal University and master's diploma in Business Finance (PGDBF) from Indian Institute of Finance, New Delhi. He has more than 24 years of experience. Prior to joining our Company, he was associated as General Manager with Alkem Laboratories Limited, as Business Head with Glenmark Pharmaceuticals Limited, as Senior Manager Business Operation with Abbott Truecare Pharma Private Limited, as Area Business Manager with Orchid Healthcare and as Business Manager with Vision Enterprise and Emcure Pharmaceuticals Limited. He is currently responsible for Business Development, Sales and Marketing and Key Accounts in our Company. He has been associated with our Company since May 1, 2018. In the Fiscal Year 2023, he received a remuneration of ₹7.16 million.\*

**Shashwat Nigam** is the Vice President - Head Retail Pharma Business of our Company. He obtained his bachelor's degree of Technology in Mechanical Engineering from Banaras Hindu University, Varanasi and completed a post graduate program in business management from The Indian School of Business, Hyderabad. He has more than 16 years of experience. Prior to joining our Company, he was associated as Chief Business Officer with ImmaculateBites Private Limited, as COO – Indepot with Home Interior Designs E – Commerce Private Limited and Hindustan Unilever Limited. He is currently responsible for retail pharma business, business development, supply chain management, and business operation in our Company. He has been associated with our Company since July 10, 2023. Since, he was appointed in the current Fiscal Year, no remuneration was paid to him in Fiscal Year 2023.

\* Total Remuneration paid for Fiscal Year 2023 includes Variable Pay which is received for FY 2022 in FY 2023.

#### **Status of Key Managerial Personnel and Senior Management**

All the Key Managerial Personnel and Senior Management are permanent employees of our Company.

#### **Relationship between our Key Managerial Personnel and Senior Management and Directors**

None of our Key Managerial Personnel and Senior Management are related to each other or to our Directors.

#### **Shareholding of Key Managerial Personnel and Senior Management**

For details of the shareholding of our Key Managerial Personnel and Senior Management in our Company, see “*Capital Structure – Details of the Shareholding of our Directors and Key Managerial Personnel and Senior Management*” on page 115.

#### **Bonus or Profit Sharing Plan of our Key Managerial Personnel and Senior Management**

None of our Key Managerial Personnel and Senior Management are party to any bonus or profit sharing plan of our Company. Certain of our Key Managerial Personnel and Senior Management are entitled to performance linked incentives under their respective terms of appointment.

#### **Arrangement or Understanding with Major Shareholders, Customers, Suppliers or Others**

Except for Prabhat Agrawal and Prem Sethi, there are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel and Senior Management were selected as members of our management. Further, Prabhat Agrawal and Prem Sethi were entitled to an adjustment to their respective CCPS conversion ratios under the third addendum to the Shareholder's Agreement. For details, see “*History and Certain Corporate Matters - Agreements with Key Managerial Personnel, Senior Management Personnel, Director, Promoters or any other employee*” on page 214.

#### **Interest of Key Managerial Personnel and Senior Management**

None of our Key Managerial Personnel and Senior Management have any interest in our Company, other than to the extent of (i) the remuneration or benefits to which they are entitled in accordance with the terms of their appointment or reimbursement of expenses incurred by them during the ordinary course of business, and (ii) the Equity Shares and employee stock options held by them, if any, and any dividend payable to them and other benefits arising out of such shareholding.

None of our Key Managerial Personnel and Senior Management have been paid any consideration of any nature by our Company other than remuneration in the ordinary course of their employment.

Other than as disclosed in “*Terms of appointment of our Directors*”, “*Key Managerial Personnel of our Company*” and “*Senior Management of our Company*” on pages 253, 270, and 270, our Company has not paid any compensation or granted any benefit to any of our Key Managerial Personnel and Senior Management (including contingent or deferred compensation) in all capacities in the Fiscal Year 2023. Further, other than Prabhat Agrawal, Prem Sethi, CV Ram, Jayant Prakash and Sambit Mohanty who were paid variable pay for the Fiscal Year 2022 in the Fiscal Year 2023, there is no deferred or contingent compensation payable to any of our Key Managerial Personnel and Senior Management for the Fiscal Year 2023.

### Changes in the Key Managerial Personnel and Senior Management during the Last Three Years

The changes in our Key Managerial Personnel in the three immediately preceding years are set forth below:

Name	Designation	Date of Change	Reason for Change
Swathi Srikanth Kamath	Company Secretary	November 9, 2021	Cessation
Jayant Prakash	Company Secretary	January 3, 2022	Appointment
CV Ram	Chief Financial Officer	March 13, 2023*	Appointment
Jayant Prakash	Compliance Officer	August 25, 2023	Designated as Compliance Officer

\*CV Ram was appointed as Key Managerial Personnel with effect from March 13, 2023, while he is associated with the Company, with effect from January 31, 2023.

In addition to changes in Senior Management who are also Key Managerial Personnel, the changes in our Senior Management in the three immediately preceding years are set forth below:

Name	Designation	Date of Change	Reason for Change
Sambit Mohanty	President, Institutional Business	August 25, 2023	Designated as Senior Management
Shashwat Nigam	Vice President - Head Retail Pharma Business	August 25, 2023	Designated as Senior Management

The rate of attrition of our Key Managerial Personnel and Senior Management is not high in comparison to the industry in which we operate.

### Payment or Benefit to Key Managerial Personnel and Senior Management

No amount or benefit has been paid or given within the preceding two years or is intended to be paid or given to any officers of our Company, including our Key Managerial Personnel and Senior Management, other than normal remuneration and any employee stock options, for services rendered as officers of our Company and other than as disclosed in “*Other Financial Information – Related Party Transactions*” on page 296.

Other than as disclosed in “*Interest of Directors*” on page 255, none of our Key Managerial Personnel and Senior Management has entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

### Employee Stock Option/Purchase Schemes

For details on the ESOP Scheme and employee stock options held by our Key Managerial Personnel and Senior Management, see “*Capital Structure – Employee Stock Option Scheme*” on page 112.



## OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are Prabhat Agrawal, Prem Sethi, and OrbiMed Asia III Mauritius Limited. As on the date of this Prospectus, our Promoters hold an aggregate of 27,406,428 Equity Shares comprising 77.11% of our paid-up Equity Share capital.

For details of the build-up of our Promoters' shareholding in our Company, see "*Capital Structure*" on page 93.

### Individual Promoters

The details of our Individual Promoters are as follows:



#### **Prabhat Agrawal**

Prabhat Agrawal, born on January 24, 1977, aged 46 years, is a citizen of India. He resides at 29th floor, 2901, N, Lodha World One, Senapati Bapat Marg, Upper Worli, Delisle Road, Mumbai- 400013, Maharashtra, India. His PAN number is ACDPA2430P. For details of his educational qualifications, experience in the business, positions/posts held in the past and directorships, special achievements, his business and financial activities, and other activities, see "*Our Management*" beginning on page 250.



#### **Prem Sethi**

Prem Sethi born on June 28, 1977, aged 46 years, is a citizen of India. He resides at House No. 03, Sector 37, Amarnagar, Faridabad, Haryana, India, 121003. His PAN number is ALGPS5647C. For details of his educational qualifications, experience in the business, positions/posts held in the past and directorships, special achievements, his business and financial activities, and other activities, see "*Our Management*" beginning on page 250.

Our Company confirms that the PAN numbers, bank account numbers, passport numbers, Aadhar card numbers and driving license of each of our Individual Promoters was submitted to the Stock Exchanges at the time of filing of the Draft Red Herring Prospectus.

#### ***Other ventures of our Individual Promoters***

Other than as disclosed below and in the section "*Our Management - Board of Directors*" on page 250, our Individual Promoters are not involved in any other ventures.

#### ***Experience of our Individual Promoters in the business of our Company***

For details in relation to experience of our Individual Promoters in the business of our Company, see "*Our Management – Brief Biographies of our Directors*" beginning on page 252.

### Corporate Promoter

The details of our Corporate Promoter is as follows:

#### **1. OrbiMed Asia III Mauritius Limited**

##### ***Corporate Information***

OrbiMed Asia III Mauritius Limited ("**OrbiMed**") was incorporated under the laws of the Republic of Mauritius as a private company limited by shares at Port Louis, Mauritius, pursuant to a certificate of incorporation dated April 12, 2017. Its registered office is located at 5<sup>th</sup> Floor, Ebene Esplanade, 24 Bank Street, Cybercity, Ebene 72201, Republic of Mauritius.

The main objective of OrbiMed is to be an investment company, whose business shall consist in investing its funds principally in securities with the aim of spreading investment risks and giving its members the benefit of the results of the management of its funds. It engages in the business of all forms of investments such as venture capital and private equity investments directly or indirectly through special purpose vehicles or otherwise. There has been no change in the nature of business of OrbiMed since its incorporation. The company number of OrbiMed is 146517 C1/GBL.

### ***Board of directors of OrbiMed***

As on the date of this Prospectus, the board of directors of OrbiMed comprises of:

1. Sam Block III – Director
2. Harish Sumsurooah – Director
3. Chettensingh Awotarsing – Director
4. Ashish D. Jagarnath – Director

### ***Capital structure and shareholding pattern of OrbiMed***

As on the date of this Prospectus, OrbiMed Asia Partners III, L.P. holds 100% of the shareholding in OrbiMed Asia III Mauritius Limited.

### ***Financial highlights of OrbiMed***

**Set forth below are certain financial highlights of our Corporate Promoter for the years 2022, 2021, and 2020:**

<b>Particulars</b>	<i>(in USD million)</i>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
Total Income	21.15	150.54	60.79
Profit After Tax	20.75	135.56	55.59
Total Equity	387.55	362.90	217.24
Retained Earnings	218.06	197.31	61.86

### ***Details of change in control of OrbiMed***

There has been no change in the control of OrbiMed in the last three years preceding the date of this Prospectus.

Our Company confirms that the PAN, bank account number(s) and corporate registration number of OrbiMed and the address of the registrar of companies where OrbiMed is registered, was submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus.

### ***Promoters of OrbiMed***

As on the date of this Prospectus, the promoters of OrbiMed are OrbiMed Asia Partners III, L.P.

#### ***OrbiMed Asia Partners III, L.P.***

Orbimed Asia Partners III, L.P. (“**OAP III**”) was incorporated on September 14, 2016, and is exempted limited partnership registered under the laws of Cayman Islands. OAP III targets private investment opportunities in companies across the healthcare industry, including pharmaceuticals, biotechnology, medical devices, healthcare services and digital health. A majority of these investments are expected to focus on the rapidly growing demand for better healthcare in China and India, with growth strategies anchored in improving essential healthcare access, affordability or quality. Product-oriented companies will typically target unmet medical needs prevalent in the region. Services-oriented companies will focus on affordable, large-scale delivery of quality healthcare to large consumer populations, many of which have historically been unable to access quality healthcare.

No natural person holds more than 15% of the voting rights in OAP III. Since OAP III is an exempted limited partnership, it does not have a board of directors.

#### ***Changes in management and control of our Company***

Except for OrbiMed, our Promoters are the original promoters of the Company. There has been no change in control of our Company in the five years preceding the date of this Prospectus.

#### ***Interests of Promoters and Related Party Transactions***

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company, (ii) the extent of their shareholding in our Company. For details on shareholding of our Promoters in our Company, see “*Capital Structure*” on page 93. For further details of interest of our Promoters in our Company, see “*Our Management*” and “*Other Financial Information - Related Party Transactions*” beginning on pages 250 and 396. Our Individual Promoters, who are also Directors and Key Managerial Personnel, may be deemed to be interested to the extent of their remuneration/fees and reimbursement of expenses, payable to them. For details of nominee directors of our Corporate Promoter, appointed on our Board, see “*Our Management*” on page 250. Our Individual Promoters were entitled to an adjustment to their respective CCPS conversion ratios under the third addendum to the Shareholder’s Agreement. For details, see “*History and Certain Corporate Matters - Agreements with Key Managerial Personnel, Senior Management Personnel, Director, Promoters or any other employee*” on page 214.

Other than as disclosed in “*Other Financial Information - Related Party Transactions*” on page 396 and except as disclosed herein above, our Company has not entered into any contract, agreements or arrangements during the two years immediately preceding the date of this Prospectus and does not propose to enter into any such contract in which our Promoters are directly or indirectly interested and no payment have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with.

Our Promoters may also be interested to the extent of goods and services supplied by companies in which they are a shareholder, to our Company. Apart from this, our Promoters are not interested in any property acquired by our Company in the preceding three years from the date of filing this Prospectus with SEBI or proposed to be acquired by our Company as on the date of this Prospectus or in any transaction by our Company for acquisition of land, construction of building and supply of machinery.

Our Promoters are not interested as a member of a firm or company, and no sum has been paid, or agreed to be paid to them or to such firm or company, in cash or shares or otherwise by any person either to induce him to become, or to qualify Individual Promoters as a director or otherwise, for services rendered by them or by such firm or company, in connection with the promotion or formation of our Company.

#### ***Payment or Benefits to Promoters or Promoter Group***

Except as stated above, and otherwise as disclosed in the section “*Other Financial Information - Related Party Transactions*” on page 396 and remuneration/fees and reimbursement of expenses, paid to our Individual Promoters as Directors and Key Managerial Personnel, there has been no payment or benefit given or paid to our Promoters or Promoter Group during the two years prior to the filing of this Prospectus nor there is any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Prospectus.

#### ***Companies with which our Promoters have disassociated in the last three years***

Our Promoters have not disassociated themselves from any companies or firms during the last three years preceding the date of this Prospectus.

#### ***Material guarantees given by our Promoters***

There are no material guarantees given by our Promoters to third parties, with respect to the Equity Shares of our Company.

#### ***Other confirmations***

Our Promoters and members of our Promoter Group have not been declared as Wilful Defaulters or Fraudulent Borrowers.

Our Promoters and members of our Promoter Group have not been debarred from accessing the capital market for any reasons by SEBI or any other regulatory or governmental authorities.

None of our Promoters have been declared as a fugitive economic offender in accordance with Section 12 of the Fugitive Economic Offenders Act, 2018.

Our Promoters are not and have never been a promoter of any other company which is debarred from accessing capital markets.

### Our Promoter Group

#### A. Natural persons who are part of the Promoter Group

The individuals forming part of our Promoter Group are as follows:

Sr. No.	Name of the individual	Relationship
<i>Prabhat Agrawal</i>		
1.	Payal Agrawal	Spouse
2.	Vedant Agrawal	Son
3.	Adya Agrawal	Daughter
4.	Kunjabehari Lal Agrawal	Father
5.	Asha Agrawal	Mother
6.	Neha Agrawal	Sister
7.	Kanchi Agrawal	Sister
8.	Jai Bhagwan Mittal	Spouse's father
9.	Arti Mittal	Spouse's mother
10.	Kunal Mittal	Spouse's brother
11.	Richa Agarwal	Spouse's sister
12.	Komal Gupta	Spouse's sister
<i>Prem Sethi</i>		
13.	Vikas Sethi	Brother
14.	Lubna Sethi	Spouse
15.	Shweta Adlakha	Spouse's sister
16.	Kanav Sethi	Son
17.	Vihaana Sethi	Daughter
18.	Vedaansh Sethi	Son

#### B. Entities forming part of the Promoter Group

The entities forming part of our Promoter Group are as follows:

Sr. No.	Name of the entity	Promoter group relation
1.	Technomax Infosolutions (partnership concern)	Body corporate in which 20% or more of the equity share capital is held by the Promoters of our Company or their immediate relatives
2.	Uquifa Sciences Mascarene Ltd, Mauritius	Subsidiary of our Corporate Promoter/ Body corporate in which 20% or more of the equity share capital is held by our Corporate Promoter
3.	Uquifa Sciences UK Ltd	Bodies corporate in which the Promoters hold 20% or more equity share capital indirectly
4.	Uquifa Sciences SLU, Spain	
5.	Union Quimico Farmaceutica SAU, Spain	
6.	Uquifa Mexico SA, Mexico	
7.	Holliday International Ltd	
8.	Soneas Chemicals, Hungary	

9.	Uquifa India Limited	
10.	OrbiMed Asia Partners III, L.P.	Holding company of our Corporate Promoter/Body corporate which holds 20% or more of the equity share capital of our Corporate Promoter

## DIVIDEND POLICY

The declaration and payment of dividends, if any, will be recommended by our Board and approved by our Shareholders at their discretion, subject to the provisions of our Articles of Association and the applicable laws including the Companies Act together with the applicable rules issued thereunder. The dividends, if any, will depend on a number of factors, including but not limited to the earnings, capital requirements, acquisitions, overall financial condition of our Company and restrictive covenants of our financial arrangements. Our Company may also, from time to time, pay interim dividends. We may retain all our future earnings, if any, for use in the operations and expansion of our business. Our Company has adopted a dividend distribution policy (“**Dividend Policy**”) pursuant to a resolution of the Board dated August 25, 2023. In terms of the Dividend Policy, the dividend pay-out, if any, shall be determined by the Board after taking into account a number of financial parameters, including internal factors and external factors, including the profitable growth of the Company, earning stability and outlook, accumulated reserves, business cycles, economic environment, and industry outlook.

No dividends have been declared and paid by the Company on the Equity Shares and the Preference Shares as per the Restated Consolidated Financial Information and till the date of filing of this Prospectus.

**SECTION V – FINANCIAL INFORMATION**  
**RESTATED CONSOLIDATED FINANCIAL INFORMATION**

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## Examination Report

**Report of Independent Auditor on the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2023, September 30, 2022, March 31, 2023, March 31, 2022 and March 31, 2021 and Restated Consolidated Statement of Profits and Losses (including other comprehensive income), Restated Consolidated Statement of Changes in Equity, Restated Consolidated Statement of Cash Flows along with the Statement of Material Accounting Policies and Other Explanatory Information for six months period ended September 30, 2023 and September 30, 2022 and years ended March 31, 2023, March 31, 2022 and March 31, 2021 of Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited) and its subsidiaries**

The Board of Directors  
**Entero Healthcare Solutions Limited**  
**(formerly known as Entero Healthcare Solutions Private Limited)**  
Plot No. I-35, Building -B,  
Industrial Area Phase-I,  
13/7 Mathura Road,  
Faridabad  
Haryana 121003

Dear Sirs/ Madams,

1. We, M S K A & Associates, Chartered Accountants (“we” or “us” or “our” or “Firm”), have examined the Restated Consolidated Financial Information of Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited) (the “Company” or the “Holding Company”) and its subsidiaries (the Company and its subsidiaries together referred to as the “Group”) which comprises the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2023, September 30, 2022, March 31, 2023, March 31, 2022 and March 31, 2021, Restated Consolidated Statement of Profits and Losses (including other comprehensive income), Restated Consolidated Statement of Changes in Equity, Restated Consolidated Statement of Cash Flows along with the Statement of Material Accounting Policies and Other Explanatory Information for the six months period ended September 30, 2023, September 30, 2022 and years ended March 31, 2023, March 31, 2022 and March 31, 2021 (collectively referred to as the “Restated Consolidated Financial Information”), annexed to this report for the purpose of inclusion in the Red Herring Prospectus (“RHP”) and Prospectus, prepared by the company in connection with its proposed Initial Public Offer of equity shares of face value of Rs. 10 each (“Offer”). The Restated Consolidated Financial Information, which has been approved by the Board of Directors of the Company (the “Board of Directors”) at their meeting held on January 21, 2024, and have been prepared by the Company in accordance with the requirements of:
  - i) the Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”);
  - ii) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI ICDR Regulations”); and



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- iii) 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 are responsible for the preparation of Restated Consolidated Financial Information for the purpose of inclusion in the RHP and Prospectus to be filed with the Securities and Exchange Board of India (“SEBI”), BSE Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”) (Collectively “the Stock Exchanges”) and Registrar of Companies (ROC) in connection with the Offer. The Restated Consolidated Financial Information has been prepared by the management of the Company in accordance with the basis of preparation stated in Note 2.1 to Annexure V of the Restated Consolidated Financial Information. The Board of Directors of the Company is responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Board of Directors of the Company are also responsible for identifying and ensuring that the Group comply with the Act, the SEBI ICDR Regulations and the Guidance Note.
3. We have examined the Restated Consolidated Financial Information taking into consideration:
  - i) the terms of reference and our engagement agreed with you vide our engagement letter dated June 19, 2023, in connection with the Offer.
  - ii) The Guidance Note also requires that we comply with the ethical requirements as stated in the Code of Ethics issued by the ICAI;
  - iii) the concepts of test check and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
  - iv) the requirements of Section 26 of the Act and the SEBI ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the Offer.

4. The Restated Consolidated Financial Information has been compiled by the management from:
  - i) the audited Special Purpose Consolidated Interim Financial Statements of the Group as at and for the six months periods ended September 30, 2023 and September 30, 2022 prepared in accordance with Indian Accounting Standard (Ind AS) 34 “Interim Financial Reporting”, specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other
  - ii) accounting principles generally accepted in India (“September 2023 and September 2022 Audited Special Purpose Consolidated Interim Financial Statements”) and have been approved by the Board of Directors at their meeting held on January 21, 2024.

The Special Purpose Consolidated Interim Financial Statements are prepared to assist the Company in complying with the Indian Accounting Standard “Interim Financial Reporting” (“Ind AS 34”) specified under Section 133 of the Companies Act, 2013, for the purpose of forming a basis for the preparation of Restated Consolidated Financial Information to be included in the proposed offer document with respect to its Initial Public Offering (IPO).

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- iii the audited consolidated financial statements of the Group as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 prepared in accordance with Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (2023, 2022 and 2021 Audited Consolidated Financial Statements), and have been approved by the Board of Directors at their meeting held on September 07, 2023.
5. For the purpose of our examination, we have relied on:
- i Auditor’s report issued by us dated January 21, 2024 on the audited Special Purpose Consolidated Interim Financial Statements of the Group as at and for the six months period ended September 30, 2023 and September 30, 2022 as referred in Para 4 (a) above.
  - ii Auditor’s report issued by us dated August 3, 2023, December 22, 2022 and December 29, 2021 on the audited consolidated financial statements of the Group as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 respectively as referred in Para 4(b) above.

Our audit report on the audited consolidated financial statements of the company for the year ended March 31, 2021 included an Emphasis of Matter Paragraph as follows:

“We draw your attention to Note 54 to the Consolidated Financial Statements which states that the management has made an assessment of the impact of COVID-19 on the Group’s operations, financial performance and position as at and for the year ended 31 March 2021, and has concluded that there is no impact which is required to be recognised in Consolidated financial statements. Accordingly, no adjustments have been made to Consolidated Financial Statements.

Our opinion is not modified in respect of this matter.”

6. We did not audit the Special Purpose Interim Financial Statements of 22 subsidiaries included in the group, as at and for the six months period ended September 30, 2023, 21 subsidiaries included in the group as at and for six months period ended September 30, 2022 and financial statements of 21 subsidiaries included in the group as at and for the year ended March 31, 2023, 20 subsidiaries included in the group as at and for the year ended March 31, 2022, 20 subsidiaries included in the group as at and for the year ended March 31, 2021, whose financial statements reflect total assets, total revenues,

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and net cash inflows / (outflows), before consolidation adjustments, included in the consolidated financial statements, for the relevant years as tabulated below:

Particulars	As at/ for the six months period September 30, 2023	As at/ for the six months period September 30, 2022	As at/ for the year ended March 31, 2023	As at/ for the year ended March 31, 2022	As at/ for the year ended March 31, 2021
No. of Entities	22	21	21	20	20
Total Assets (Rs. in Millions)	4,029.15	2,873.86	3,056.71	3,120.45	3,217.57
Total Revenue (Rs. in Millions)	4,504.13	3,062.72	6,598.60	4,899.16	8,937.42
Net Cash Inflows/ Outflows (Rs. in Millions)	6.01	65.17	42.74	75	(68.70)

These financial statements have been audited by other auditors as set out in Appendix I whose reports have been furnished to us by the Company's management and our opinions for the relevant years on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these components for the relevant years, is based solely on the reports of the other auditors.

Our opinion is not modified in respect of this matter.

7. The examination of Restated Financial information for four subsidiaries (the "Components") for the six months period ended September 30, 2023 and September 30, 2022 and years ended March 31, 2023, March 31, 2022 and March 31, 2021 were conducted by the component auditors and accordingly reliance is placed on the examination reports, the details of which is tabulated below on the Restated Statement of Assets and Liabilities of the Components as at September 30, 2023 and September 30, 2022, March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Statement of Profit and Loss (including other comprehensive income), Restated Statement of Changes in Equity, Restated Statement of Cash Flows and the Statement of Material Accounting Policies and Other Explanatory Information for the six months period ended September 30, 2023 and September 30, 2022 and years ended March 31, 2023, March 31, 2022 and March 31, 2021 ("Restated Financial Information of the Components") examined by the Component Auditors. Our examination report insofar as it relates to the said components for the six months period ended September 30, 2023 and September 30, 2022 and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 is based solely on the examination reports submitted by the Component Auditors. The Component Auditors have, vide their examination reports, also confirmed that the Restated Financial Information of the Components:

- i) have been prepared after incorporating adjustments for the changes in accounting policies, any material errors and regroupings/ reclassifications to reflect the same accounting treatment as per the accounting policies and

grouping/classifications followed as at and for the six months period ended September 30, 2023 and September 30, 2022 and years ended March 31, 2023, March 31, 2022 and March 31, 2021 by the Holding Company, as more fully described in Note 2.1 of Annexure V to the Restated Consolidated Financial Information;

- ii) there are no qualifications in the auditor's reports issued on the Special Purpose Interim Financial Statements of the Components as at and for the six months ended September 30, 2023 and September 30, 2022 and Financial Statements of the Components as at and for the years ended March 31, 2023, March 31, 2022, and March 31, 2021 which require any adjustments to the Restated Financial Information of the Components; and
- iii) Restated Financial Information of the Components have been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note.

Details of the Examination Reports on components audited by the Component Auditors-

No.	Name of the Component	Nature of Relationship	Name of Component Auditor	Date of Examination Report
1	Sri Rama Pharmaceutical Distributors Private Limited	Subsidiary	P R Reddy & Co.	January 21, 2024
2	Western Healthcare Solutions Private Limited	Subsidiary	Argee & Co	January 21, 2024
3	S.S. Pharma Traders Private Limited	Subsidiary	Pratap B.Seth & Co	January 21, 2024
4	Curever Pharma Private Limited	Subsidiary	Pratap B.Seth & Co	January 21, 2024

8. Based on the above and according to the information and explanations given to us and as per reliance placed on the examination reports submitted by Component Auditors for the respective components and respective years as referred in Para 7 above, we report that:

- i) Restated Consolidated Financial Information have been prepared after incorporating adjustments for the changes in accounting policies, any material errors and regroupings/ reclassifications retrospectively in the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 and six months period ended September 30, 2022, to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six months period ended September 30, 2023, as more fully described in Annexure VI to the Restated Consolidated Financial Information (Restated Consolidated Statement of Adjustments to Audited Financial Statements);
- ii) there are no qualifications in the auditor's reports on the September 2023 and September 2022 Audited Special Purpose Consolidated Interim Financial Statements and 2023, 2022 and 2021 Audited Consolidated Financial Statements, as stated above, which require any adjustments to the Restated Consolidated Financial Information. There is an Emphasis of Matter (refer paragraph 5 above), which does not require any adjustment to the Restated Consolidated Financial Information. Further, there are no qualifications in the auditor's report on respective components issued by

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respective auditors of the component as mentioned in Appendix I, which require any adjustments to the Restated Consolidated Financial Information; and

- iii) Restated Consolidated Financial Information have been prepared in accordance with the Act, the SEBI 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 audited financial statements mentioned in paragraph 5 above.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous auditor's reports issued by us or by respective auditors of the Component for respective years as detailed in Appendix I, 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 this report.
12. Our report is intended solely for use of the Board of Directors and for inclusion in the RHP and Prospectus to be filed with the SEBI, BSE, NSE and ROC in connection with the proposed issue. Our report should not be used, referred to or distributed for any other purpose without prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care towards any other person relying on this examination report.

**For M S K A & Associates**

Chartered Accountants

Firm Registration Number: 105047W

Vaijayantimala Belsare

Partner

Membership No: 049902

UDIN: 24049902BKCRDG1557

Place: Mumbai

Date: January 21, 2024

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## Appendix I

Details of entities for the six months/ year's not audited by us and name of the other auditor for the respective year ended:

a) As of and for the six months ended September 30, 2023-

S.no.	Name of Entity	Relationship	Auditor
1	Sri Rama Pharmaceutical Distributors Private Limited	Subsidiary	PR Reddy & Co.
2	Western Healthcare Solutions Private Limited	Subsidiary	Argee & Co
3	Chhabra Healthcare Solutions Private Limited	Subsidiary	Singh Chhabra & Co
4	Chethana Healthcare Solutions Private Limited	Subsidiary	M/s Joshi & Co
5	S.S. Pharma Traders Private Limited	Subsidiary	Pratap B.Seth & Co
6	Sundarlal Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
7	New Siva Agencies Private Limited	Subsidiary	Argee & Co
8	Saurashtra Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
9	New RRPD Pvt. Ltd	Subsidiary	Argee & Co
10	Sree Venkateshwara Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
11	SVS Lifesciences Private Limited	Subsidiary	Pratap B.Seth & Co
12	Swami Medisolutions Pvt Ltd	Subsidiary	Singh Chhabra & Co
13	Atreja Healthcare Solutions Private Limited	Subsidiary	Singh Chhabra & Co
14	CPD Pharma Private Limited	Subsidiary	Srinivasan Sundaram & Co.
15	Calcutta Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
16	Chethana Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
17	City Pharma Distributors Private Limited	Subsidiary	Argee & Co
18	Curever Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
19	Rimedio Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
20	Quomed Life Sciences Private Limited	Subsidiary	Pratap B.Seth & Co
21	Zennx Software Solutions Private Limited	Subsidiary	Pratap B.Seth & Co
22	Entero RS Enterprises Private Limited	Subsidiary	Pratap B.Seth & Co

b) As of and for the six months ended September 30, 2022-

S.no.	Name of Entity	Relationship	Auditor
1	Sri Rama Pharmaceutical Distributors Private Limited	Subsidiary	PR Reddy & Co.
2	Western Healthcare Solutions Private Limited	Subsidiary	Argee & Co
3	Chhabra Healthcare Solutions Private Limited	Subsidiary	Singh Chhabra & Co
4	Chethana Healthcare Solutions Private Limited	Subsidiary	M/s Joshi & Co
5	S.S. Pharma Traders Private Limited	Subsidiary	Pratap B.Seth & Co
6	Sundarlal Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
7	New Siva Agencies Private Limited	Subsidiary	Argee & Co
8	Saurashtra Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
9	New RRPD Pvt. Ltd	Subsidiary	Argee & Co

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10	Sree Venkateshwara Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
11	SVS Lifesciences Private Limited	Subsidiary	Pratap B.Seth & Co
12	Swami Medisolutions Pvt Ltd	Subsidiary	Singh Chhabra & Co
13	Atreja Healthcare Solutions Private Limited	Subsidiary	Singh Chhabra & Co
14	CPD Pharma Private Limited	Subsidiary	Srinivasan Sundaram & Co.
15	Calcutta Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
16	Chethana Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
17	City Pharma Distributors Private Limited	Subsidiary	Argee & Co
18	Curever Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
19	Rimedio Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
20	Quromed Life Sciences Private Limited	Subsidiary	Pratap B.Seth & Co
21	Zennx Software Solutions Private Limited	Subsidiary	Pratap B.Seth & Co

c) As of and for the year ended March 31, 2023-

S.no.	Name of Entity	Relationship	Auditor
1	Sri Rama Pharmaceutical Distributors Private Limited	Subsidiary	PR Reddy & Co.
2	Western Healthcare Solutions Private Limited	Subsidiary	Argee & Co
3	Chhabra Healthcare Solutions Private Limited	Subsidiary	Singh Chhabra & Co
4	Chethana Healthcare Solutions Private Limited	Subsidiary	M/s Joshi & Co
5	S.S. Pharma Traders Private Limited	Subsidiary	Pratap B.Seth & Co
6	Sundarlal Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
7	New Siva Agencies Private Limited	Subsidiary	Argee & Co
8	Saurashtra Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
9	New RRPD Pvt. Ltd	Subsidiary	Argee & Co
10	Sree Venkateshwara Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
11	SVS Lifesciences Private Limited	Subsidiary	Pratap B.Seth & Co
12	Swami Medisolutions Pvt Ltd	Subsidiary	Singh Chhabra & Co
13	Atreja Healthcare Solutions Private Limited	Subsidiary	Singh Chhabra & Co
14	CPD Pharma Private Limited	Subsidiary	Srinivasan Sundaram & Co.
15	Calcutta Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
16	Chethana Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
17	City Pharma Distributors Private Limited	Subsidiary	Argee & Co
18	Curever Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
19	Rimedio Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
20	Quromed Life Sciences Private Limited	Subsidiary	Pratap B.Seth & Co
21	Zennx Software Solutions Private Limited	Subsidiary	Pratap B.Seth & Co



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d) As of and for the year ended March 31, 2022-

S.no.	Name of Entity	Relationship	Auditor
1	Chhabra Healthcare Solutions Private Limited	Subsidiary	Singh Chhabra & Co
2	Sundarlal Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
3	Chethana Healthcare Solutions Private Limited	Subsidiary	M/s Joshi & Co
4	Rada Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
5	Sesha Balajee Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
6	Chethana pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
7	Sree Venkateshwara Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
8	CPD Pharma Private Limited	Subsidiary	Srinivasan Sundaram & Co.
9	Calcutta Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
10	Curever Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
11	Rimedio Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
12	Quomed Life Sciences Private Limited	Subsidiary	Pratap B.Seth & Co
13	Atreja Healthcare Solutions Pvt Ltd	Subsidiary	Singh Chhabra & Co
14	Western Health Care Solutions Private Limited	Subsidiary	Agree & Co
15	City Pharma Distributors Private Limited	Subsidiary	Agree & Co
16	Zenex Software Solutions Private Limited	Subsidiary	Pratap B.Seth & Co
17	Swami Medisolutions Private Limited	Subsidiary	Singh Chhabra & Co
18	New RRPD Private Limited	Subsidiary	Agree & Co
19	New Siva Agencies Private Limited	Subsidiary	Agree & Co
20	Sri Parshva Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co

e) As of and for the year ended March 31, 2021-

S.no.	Name of Entity	Relationship	Auditor
1	G.S.Pharmaceutical Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
2	Getwell Medicare Solution Private Limited	Subsidiary	Agree & Co
3	Galaxystar Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
4	Chhabra Healthcare Solutions Private Limited	Subsidiary	Singh Chhabra & Co
5	Sundarlal Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
6	Jaggi Enterprises Private Limited	Subsidiary	Pratap B.Seth & Co
7	Chethana Healthcare Solutions Private Limited	Subsidiary	M/s Joshi & Co
8	Vasavi Medicare Solutions Private Limited	Subsidiary	Pratap B.Seth & Co
9	SVMED Solutions Private Limited	Subsidiary	Pratap B.Seth & Co
10	Millennium Medisolutions Private Limited	Subsidiary	Arun K Gupta & Associates
11	Rada Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
12	Sesha Balajee Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
13	Barros Enterprises Private Limited	Subsidiary	Pratap B.Seth & Co



# MSKA & Associates

Chartered Accountants

14	Chethana pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
15	Sree Venkateshwara Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
16	CPD Pharma Private Limited	Subsidiary	Srinivasan Sundaram & Co.
17	Calcutta Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
18	Curever Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
19	Rimedio Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
20	Quomed Life Sciences Private Limited	Subsidiary	Pratap B.Seth & Co

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<b>Sr. No.</b>	<b>Details of Restated Consolidated financial Information</b>	<b>Annexure Reference</b>
1	Restated Consolidated Statement of Assets and Liabilities	Annexure I
2	Restated Consolidated Statement of Profit and Loss	Annexure II
3	Restated Consolidated Statement of Changes in Equity	Annexure III
4	Restated Consolidated Statement of Cash Flows	Annexure IV
5	Notes to Restated Consolidated Financial Information	Annexure V
6	Statement of Adjustments to Audited Special Purpose Consolidated Financial Statements for the period/year ended September 30, 2023, September 30, 2022, March 31, 2023, March 31, 2022, and March 31, 2021 (referred to as "Statement of Adjustments to Audited Consolidated Financial Statements")	Annexure VI

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Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure 1 - Restated Consolidated Statement of Assets and Liabilities

(₹ in Million, unless otherwise stated)

Particulars	Annexure V	As at	As at	As at	As at	As at
		30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
<b>ASSETS</b>						
<b>Non-current assets</b>						
Property, plant and equipment	5	419.86	454.88	431.76	456.63	408.50
Right to Use Asset	5	483.77	576.69	536.85	616.60	558.77
Capital work-in-progress	9	-	2.21	-	5.86	-
Goodwill	6	1,683.06	1,670.32	1,670.32	1,502.44	894.90
Other intangible assets	7	35.72	41.43	38.37	44.00	23.55
Intangible assets under development	8	-	0.54	-	0.54	22.40
Financial assets						
Other Financial Assets	10	123.09	62.12	79.47	67.46	63.93
Deferred tax assets (net)	11	70.67	13.73	20.08	6.77	3.29
Non Current tax assets (net)	12	82.45	53.86	78.72	48.62	33.29
Other non-current assets	13	-	-	-	2.07	-
<b>Total non-current assets</b>		<b>2,898.62</b>	<b>2,875.78</b>	<b>2,855.57</b>	<b>2,751.00</b>	<b>2,008.63</b>
<b>Current assets</b>						
Inventories	14	3,874.64	3,254.77	3,416.28	3,101.64	2,439.26
Financial assets						
Trade receivables	15	6,304.88	4,771.89	5,148.84	3,745.99	2,421.52
Cash and cash equivalents	16	519.29	396.25	253.62	465.08	323.14
Bank balances other than cash and cash equivalent	17	784.32	675.60	814.82	588.90	505.10
Loans	18	1.07	5.91	5.92	10.22	7.52
Other financial assets	19	29.38	19.81	14.06	15.37	6.27
Other current assets	20	647.34	538.59	578.16	581.63	626.43
<b>Total current assets</b>		<b>12,160.92</b>	<b>9,662.82</b>	<b>10,231.70</b>	<b>8,508.83</b>	<b>6,329.24</b>
<b>Total assets</b>		<b>15,059.54</b>	<b>12,538.60</b>	<b>13,087.27</b>	<b>11,259.83</b>	<b>8,337.87</b>
<b>EQUITY AND LIABILITIES</b>						
<b>Equity</b>						
Equity share capital	21	160.67	41.12	41.12	38.50	1.00
Instruments entirely equity in nature	22	7,026.43	6,605.04	6,636.14	6,189.90	5,171.12
Other equity	23	(610.75)	(724.24)	(726.99)	(617.99)	(318.46)
<b>Equity attributable to owners of the company</b>		<b>6,576.35</b>	<b>5,921.92</b>	<b>5,950.27</b>	<b>5,610.41</b>	<b>4,853.66</b>
<b>Non-Controlling Interest</b>	24	<b>29.13</b>	<b>24.77</b>	<b>26.34</b>	<b>21.75</b>	<b>16.94</b>
<b>Total equity</b>		<b>6,605.48</b>	<b>5,946.69</b>	<b>5,976.61</b>	<b>5,632.16</b>	<b>4,870.60</b>
<b>Liabilities</b>						
<b>Non-current liabilities</b>						
Financial liabilities						
Borrowings	27	1,134.75	-	310.67	371.26	-
Lease Liabilities	25	462.85	499.76	499.68	576.86	532.32
Provisions	26	63.12	46.60	54.03	44.32	27.45
Deferred tax Liabilities (net)	11	10.54	15.26	6.72	17.43	16.23
<b>Total non-current liabilities</b>		<b>1,671.26</b>	<b>561.62</b>	<b>871.10</b>	<b>1,009.87</b>	<b>576.00</b>
<b>Current liabilities</b>						
Financial liabilities						
Borrowings	27	3,752.01	3,675.07	3,424.48	2,479.02	1,417.03
Lease Liabilities	25	125.26	162.47	134.76	119.17	79.90
Trade payables	28					
i) total outstanding dues of micro enterprises and small enterprises		30.31	29.88	44.01	23.42	10.70
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2,218.33	1,553.67	2,060.99	1,374.37	956.70
Other financial liabilities	29	396.99	364.97	309.48	410.55	108.16
Other current liabilities	30	188.11	185.49	201.55	119.34	116.53
Provisions	26	30.66	40.01	46.47	79.59	194.85
Current tax liabilities (net)	12	41.13	18.73	17.82	12.34	7.40
<b>Total current liabilities</b>		<b>6,782.80</b>	<b>6,030.29</b>	<b>6,239.56</b>	<b>4,617.80</b>	<b>2,891.27</b>
<b>Total liabilities</b>		<b>8,454.06</b>	<b>6,591.91</b>	<b>7,110.66</b>	<b>5,627.67</b>	<b>3,467.27</b>
<b>Total equity and liabilities</b>		<b>15,059.54</b>	<b>12,538.60</b>	<b>13,087.27</b>	<b>11,259.83</b>	<b>8,337.87</b>

The above Restated Consolidated Statement of Assets and Liabilities should be read in conjunction with Notes to the Restated Consolidated Financial Information appearing in Annexure - V and Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure - VI.

This is the Restated Consolidated Statement of Assets and Liabilities referred to in our report on even date.

**For M S K A & Associates**  
Chartered Accountants  
Firm Registration No.:105047W

For and on behalf of the Board of Directors  
**Entero Healthcare Solutions Limited**  
(formerly known as Entero Healthcare Solutions Private Limited)  
CIN: U74999HR2018PLCC072204

**Vaijayantimala Belsare**  
Partner  
Membership No: 049902  
Place: Mumbai  
Date: 21 January 2024

**Prabhat Agrawal**  
Managing Director  
DIN: 07466382  
Place: Mumbai  
Date: 21 January 2024

**Prem Sethi**  
Director  
DIN: 07077034

**CV Ram**  
Chief Financial Officer  
M.N 206013

**Jayant Prakash**  
Company Secretary  
M.N.:FCS-6742

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure II - Restated Consolidated Statement of Profit and Loss

(₹ in million, unless otherwise stated)

Particulars	Annexure V	For the period ended 30 September 2023	For the period ended 30 September 2022	For the Year ended 31 March 2023	For the Year ended 31 March 2022	For the Year ended 31 March 2021
<b>Income</b>						
Revenue from operations	31	18,955.01	15,839.68	33,002.07	25,220.65	17,797.37
Other income	32	34.76	24.71	55.14	44.83	39.31
<b>Total income</b>		<b>18,989.77</b>	<b>15,864.39</b>	<b>33,057.21</b>	<b>25,265.48</b>	<b>17,836.68</b>
<b>Expenses</b>						
Purchase of Stock-in-trade	33	17,600.30	14,585.35	30,512.60	23,424.71	16,851.90
Changes in inventories of Stock-in-trade	34	(336.86)	(32.44)	(193.95)	(300.34)	(470.50)
Employee benefits expense	35	733.26	656.67	1,281.40	1,148.06	759.42
Finance costs	36	322.91	230.27	489.72	289.78	200.38
Depreciation and amortization expense	37	118.79	116.27	242.37	197.54	162.76
Other expenses	38	414.65	379.81	761.95	703.84	441.10
<b>Total expenses</b>		<b>18,853.05</b>	<b>15,935.93</b>	<b>33,094.09</b>	<b>25,463.59</b>	<b>17,945.06</b>
<b>Restated Profit before tax</b>		<b>136.72</b>	<b>(71.54)</b>	<b>(36.88)</b>	<b>(198.11)</b>	<b>(108.38)</b>
<b>Tax expenses</b>						
Current tax	39	66.93	47.21	99.65	98.64	46.84
Deferred tax	39	(46.63)	(10.18)	(25.49)	(2.36)	(1.68)
<b>Total income tax expense</b>		<b>20.30</b>	<b>37.03</b>	<b>74.16</b>	<b>96.28</b>	<b>45.16</b>
<b>Restated Profit for the period/year</b>		<b>116.42</b>	<b>(108.57)</b>	<b>(111.04)</b>	<b>(294.39)</b>	<b>(153.54)</b>
<b>Restated Other comprehensive Income/ (Loss)</b>						
<i>Items that will not be reclassified to profit or loss</i>						
Remeasurement gains/ (losses) on defined benefit plan		0.42	6.42	8.11	(0.26)	(2.05)
Income tax effect		0.15	(1.09)	(1.48)	(0.07)	0.20
<b>Total</b>		<b>0.57</b>	<b>5.33</b>	<b>6.63</b>	<b>(0.33)</b>	<b>(1.85)</b>
<i>Items that will be reclassified to profit or loss</i>		-	-	-	-	-
<b>Restated Other comprehensive income for the period/year, net of tax</b>		<b>0.57</b>	<b>5.33</b>	<b>6.63</b>	<b>(0.33)</b>	<b>(1.85)</b>
<b>Restated Total comprehensive income for the period/year</b>		<b>116.99</b>	<b>(103.24)</b>	<b>(104.41)</b>	<b>(294.72)</b>	<b>(155.39)</b>
<b>Restated Profit attributable to</b>						
Owners of the Company		113.65	(111.53)	(115.57)	(299.20)	(155.37)
Non-Controlling Interest		2.77	2.96	4.53	4.81	1.83
<b>Restated Total comprehensive income attributable to</b>		<b>116.42</b>	<b>(108.57)</b>	<b>(111.04)</b>	<b>(294.39)</b>	<b>(153.54)</b>
<b>Restated Total comprehensive income attributable to</b>						
Owners of the Company		114.20	(106.25)	(109.00)	(299.53)	(157.17)
Non-Controlling Interest		2.79	3.01	4.59	4.81	1.78
<b>Restated Earnings per share</b>	40					
Basic (INR)		2.95	(3.04)	(3.10)	(9.22)	(5.29)
Diluted (INR)		2.95	(3.04)	(3.10)	(9.22)	(5.29)

The above Restated Consolidated Statement of Assets and Liabilities should be read in conjunction with Notes to the Restated Consolidated Financial Information appearing in Annexure - V and Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure - VI.

This is the Restated Consolidated Statement of Profit and Loss referred to in our report on even date.

**For M S K A & Associates**  
Chartered Accountants  
Firm Registration No.:105047W

For and on behalf of the Board of Directors  
**Entero Healthcare Solutions Limited**  
(formerly known as Entero Healthcare Solutions Private Limited)  
CIN: U74999HR2018PLC072204

**Vajjayantimala Belsare**  
Partner  
Membership No: 049902  
Place: Mumbai  
Date: 21 January 2024

**Prabhat Agrawal**  
Managing Director  
DIN: 07466382  
Place: Mumbai  
Date: 21 January 2024

**Prem Sethi**  
Director  
DIN: 07077034

**CV Ram**  
Chief Financial Officer  
M.N 206013

**Jayant Prakash**  
Company Secretary  
M.N.:FCS-6742

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure III - Restated Consolidated Statement of Changes in Equity

(₹ in Million, unless otherwise stated)

(A) Equity share capital

Particulars	Total
Balance at the 1 April 2020	1.00
Changes in Equity Share capital during the year	-
Balance at the 31 March 2021	1.00
Changes in Equity Share capital during the year	37.50
Balance at the 31 March 2022	38.50
Changes in Equity Share capital during the year	2.61
Balance at the 31 March 2023	41.12
Balance at the 1 April 2022	38.50
Changes in Equity Share capital during the period	2.61
Balance at the 30 September 2022	41.12
Balance at the 1 April 2023	41.12
Changes in Equity Share capital during the period	119.55
Balance at the 30 September 2023	160.67

(B) Other equity

Particulars	Instruments entirely equity in nature	Reserve and surplus		Total equity attributable to owners	Attributable to Non controlling interest	Total Equity
		Retained earnings	Employee Stock option reserve			
Balance as at 31 March 2020	4,387.12	(161.29)	-	4,225.83	15.16	4,240.99
Changes during the year						
Issued during the year	784.00	-	-	784.00	-	784.00
Restated Profit for the year	-	(155.37)	-	(155.37)	1.83	(153.54)
Other comprehensive income for the year	-	(1.80)	-	(1.80)	(0.05)	(1.85)
As at 31 March 2021	5,171.12	(318.46)	-	4,852.66	16.94	4,869.60
Changes during the year						
Issued during the year	1,018.78	-	-	1,018.78	-	1,018.78
Restated Profit for the year	-	(299.20)	-	(299.20)	4.81	(294.39)
Other comprehensive income for the year	-	(0.33)	-	(0.33)	-	(0.33)
Balance as at 31 March 2022	6,189.90	(617.99)	-	5,571.91	21.75	5,593.66
Changes during the year						
Issued during the year	446.24	-	-	446.24	-	446.24
Restated Profit for the year	-	(115.57)	-	(115.57)	4.53	(111.04)
Other comprehensive income for the year	-	6.57	-	6.57	0.06	6.63
Balance as at 31 March 2023	6,636.14	(726.99)	-	5,909.15	26.34	5,935.49
Balance as at 31 March 2022	6,189.90	(617.99)	-	5,571.91	21.75	5,593.66
Changes during the period						
Issued during the period	415.14	-	-	415.14	-	415.14
Restated Profit for the period	-	(111.53)	-	(111.53)	2.96	(108.57)
Other comprehensive income for the period	-	5.28	-	5.28	0.05	5.33
Balance as at 30 September 2022	6,605.04	(724.24)	-	5,880.80	24.76	5,905.56
Balance as at 31 March 2023	6,636.14	(726.99)	-	5,909.15	26.34	5,935.49
Changes during the period						
Issued during the period	509.84	-	-	509.84	-	509.84
Conversion of CCPS into Equity	(119.55)	-	-	(119.55)	-	(119.55)
Restated Profit for the period	-	113.65	-	113.65	2.77	116.42
Other comprehensive income for the period	-	0.55	-	0.55	0.02	0.57
Employee stock option scheme compensation	-	-	2.04	2.04	-	2.04
Balance as at 30 September 2023	7,026.43	(612.79)	2.04	6,415.68	29.13	6,444.81

The above Restated Consolidated Statement of Changes in Equity should be read in conjunction with Notes to the Restated Consolidated Financial Information appearing in Annexure - V and Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure - VI.

This is Restated Consolidated Statement of Changes in Equity referred to in our report of even date.

For M S K A & Associates

Chartered Accountants

Firm Registration No.:105047W

For and on behalf of the Board of Directors

Entero Healthcare Solutions Limited

(formerly known as Entero Healthcare Solutions Private Limited)

CIN: U74999HR2018PLC072204

Vaijayantimala Belsare

Partner

Membership No: 049902

Place: Mumbai

Date: 21 January 2024

Prabhat Agrawal

Managing Director

DIN: 07466382

Place: Mumbai

Date: 21 January 2024

Prem Sethi

Director

DIN: 07077034

CV Ram

Chief Financial Officer

M.N 206013

Jayant Prakash

Company Secretary

M.N.:FCS-6742

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure IV - Consolidated Statement of Cash Flows

(₹ in Million, unless otherwise stated)

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the Year ended 31 March 2023	For the Year ended 31 March 2022	For the Year ended 31 March 2021
<b>Cash flow from operating activities</b>					
Restated Profit before tax	136.72	(71.54)	(36.88)	(198.11)	(108.38)
Adjustments for:					
Depreciation and amortization expenses	118.79	116.27	242.37	197.54	162.76
Finance cost	322.91	230.27	489.72	289.78	200.38
Provision for expected credit loss	27.40	3.29	53.79	62.50	14.05
Provision for retirement benefits & Leave obligation	14.28	8.21	18.11	22.12	15.01
Interest income	(30.85)	(14.98)	(40.90)	(34.39)	(26.44)
Provision for sales return	(20.57)	(39.09)	(33.42)	(122.38)	60.86
Employee stock option expenses	2.04	-	-	-	-
<b>Operating Profit before working capital changes</b>	<b>570.72</b>	<b>232.43</b>	<b>692.79</b>	<b>217.06</b>	<b>318.24</b>
<b>Changes in working capital</b>					
Increase/(Decrease) in Trade payables	22.71	54.41	575.85	185.18	(89.82)
Increase/(Decrease) in Other current liabilities	(44.21)	17.26	33.33	2.22	(63.08)
Increase/(Decrease) in Other financial liabilities	121.14	(45.59)	(101.08)	302.39	(76.28)
(Increase)/Decrease in Inventories	(344.33)	(32.44)	(193.94)	(300.97)	(489.51)
(Increase)/Decrease in Trade receivables	(981.47)	(909.74)	(1,337.18)	(682.19)	(119.19)
(Increase)/Decrease in Loans	4.85	4.30	4.30	(2.70)	(3.48)
(Increase)/Decrease in Other financial assets	(58.95)	0.90	(10.69)	(12.64)	(0.04)
(Increase)/Decrease in Other current assets	(69.07)	45.24	5.67	50.10	(122.25)
(Increase)/Decrease in Other Non current assets	-	2.07	2.07	(2.07)	4.40
<b>Cash used in operations</b>	<b>(778.61)</b>	<b>(631.16)</b>	<b>(328.88)</b>	<b>(243.62)</b>	<b>(641.01)</b>
Income tax paid (including advance tax & TDS)	(48.60)	(46.08)	(124.27)	(109.04)	(45.83)
<b>Net cash flows used in operating activities (A)</b>	<b>(827.21)</b>	<b>(677.24)</b>	<b>(453.15)</b>	<b>(352.66)</b>	<b>(686.84)</b>
<b>Cash flow from Investing activities</b>					
Purchase consideration on acquisition of business / subsidiaries	(232.74)	(245.74)	(245.74)	(1,469.24)	(10.99)
Payment for property, plant and equipment and intangible assets	(17.41)	(20.88)	(55.19)	(98.66)	(95.29)
Interest received	30.84	14.98	40.90	34.39	26.07
Investment in Bank deposits	30.50	(86.69)	(225.92)	(83.81)	(228.48)
<b>Net cash flow used in investing activities (B)</b>	<b>(188.81)</b>	<b>(338.33)</b>	<b>(485.95)</b>	<b>(1,617.32)</b>	<b>(308.69)</b>
<b>Cash flow from Financing activities</b>					
Proceeds from issuance of Equity Shares	-	2.62	2.62	37.50	-
Proceeds from issuance of Compulsorily Convertible Preference Shares	509.85	415.14	446.24	1,018.78	784.00
Proceeds from borrowings	1,153.53	824.79	884.87	1,433.25	352.34
Principal paid on lease liabilities	(67.64)	(65.55)	(116.37)	(87.83)	(42.32)
Interest paid on lease	(29.19)	(33.26)	(65.37)	(61.64)	(58.61)
Interest paid	(295.64)	(197.00)	(424.35)	(228.14)	(148.28)
<b>Net cash flow from financing activities (C)</b>	<b>1,270.91</b>	<b>946.74</b>	<b>727.64</b>	<b>2,111.92</b>	<b>887.13</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>254.90</b>	<b>(68.83)</b>	<b>(211.46)</b>	<b>141.94</b>	<b>(108.40)</b>
Cash and cash equivalents at the beginning of the period/year	253.62	465.08	465.08	323.14	431.54
Add : on acquisition of business	10.78	-	-	-	-
<b>Cash and cash equivalents at the end of the period/year</b>	<b>519.29</b>	<b>396.25</b>	<b>253.62</b>	<b>465.08</b>	<b>323.14</b>
<b>Cash and cash equivalents comprise (Refer note 16)</b>					
Balances with banks					
On current accounts	370.42	362.90	217.46	439.21	305.89
Fixed deposits with maturity of less than 3 months	106.27	0.88	5.34	1.49	0.02
Cash on hand	27.80	32.47	29.61	24.25	16.97
Cheques on hand	14.80	-	1.21	0.13	0.26
<b>Total cash and bank balances at end of the period/year</b>	<b>519.29</b>	<b>396.25</b>	<b>253.62</b>	<b>465.08</b>	<b>323.14</b>

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Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure IV - Consolidated Statement of Cash Flows

(₹ in Million, unless otherwise stated)

Reconciliation of the movements of liabilities to cash flows arising from financing activities

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
<b>Opening balance</b>					
Cash credit facility	2,338.91	1,810.65	1,810.65	1,408.53	1,056.22
Vehicle Loan	-	-	-	-	0.20
Term Loans	1,333.14	1,030.26	1,030.26	-	-
Interest accrued and due on borrowings	6.31	1.41	1.41	1.90	2.11
Loans and Advances from others	63.10	9.36	9.36	8.50	8.27
<b>Total</b>	<b>3,741.46</b>	<b>2,851.68</b>	<b>2,851.68</b>	<b>1,418.93</b>	<b>1,066.80</b>
<b>Movement</b>					
Cash flows-Cash Credit facility	953.25	330.86	528.26	402.12	352.31
Cash flows-Vehicle Loan	-	-	-	-	(0.20)
Cash flows-Term Loan	(668.97)	473.27	302.88	1,030.26	-
Cash flows-Loans and Advances from others	(30.75)	20.66	53.74	0.86	0.23
Cash flows-Non convertible debenture	898.09	-	-	-	-
Interest paid	(324.31)	(224.65)	(484.82)	(290.27)	(200.59)
Interest expenses	322.91	230.27	489.72	289.78	200.38
<b>Closing Balance</b>					
Cash credit facility	3,292.15	2,141.51	2,338.91	1,810.65	1,408.53
Term loans	664.16	1,503.53	1,333.14	1,030.26	-
Non convertible debenture	898.09	-	-	-	-
Interest accrued and due on borrowings	3.48	7.03	6.31	1.41	1.90
Loans and advances from others	32.36	30.03	63.10	9.36	8.50
<b>Total</b>	<b>4,890.24</b>	<b>3,682.09</b>	<b>3,741.46</b>	<b>2,851.68</b>	<b>1,418.93</b>

1. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7, Statement of Cash Flows as specified in the Companies (Indian Accounting Standards), Rules, 2015 (as amended).

2. Cash comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition).

The above Restated Consolidated Statement of Cash Flows should be read in conjunction with Notes to the Restated Consolidated Financial Information appearing in Annexure - V and Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure - VI.

As per our report of even date

For M S K A & Associates

Chartered Accountants

For and on behalf of the Board of Directors of

**Entero Healthcare Solutions Limited**  
(formerly known as Entero Healthcare Solutions Private Limited)

CIN: U74999HR2018PLC072204

Vaijayantimala Belsare

Partner

Membership No: 049902

Place: Mumbai

Date: 21 January 2024

Prabhat Agrawal

Managing Director

DIN: 07466382

Place: Mumbai

Date: 21 January 2024

Prem Sethi

Director

DIN: 07077034

CV Ram

Chief Financial Officer

M.N 206013

Jayant Prakash

Company Secretary

M.N.:FCS-6742

## 1. General Information

The Entero Healthcare Solutions Limited [formerly known as Entero healthcare Solutions Private Limited] (the "Company") and its subsidiaries (collectively, the Group) is a company limited by shares, incorporated on 10 January 2018 under the provisions of the Companies Act, 2013 and domiciled in India. Its registered office of business is located at Faridabad, Haryana. The Group is the authorized distributor for most of the top pharmaceutical companies in India. It also has strategic supply relationship with some of the leading corporate hospital chains of the country.

The Company has converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on 07 August 2023 and consequently the name of the Company has changed to Entero Healthcare Solutions Limited pursuant to a fresh certificate of incorporation issued by the Registrar of Companies on 25 August 2023.

## 2. Summary of Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of the restated consolidated financial information. These policies have been applied consistently to all the periods presented, unless otherwise stated.

### 2.1 Basis of Preparation of Financial Statements

#### A. Statement of Compliance with IND AS

The restated consolidated financial information of the Group comprises of the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2023, September 30, 2022, 31 March 2023, 31 March 2022 and 31 March 31 2021, 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 six months ended September 30, 2023, and September 30, 2022, the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021 and Notes to the Restated Consolidated Financial Information and Statement of Adjustments to Audited Consolidated Financial Statements (collectively, the 'Restated Consolidated Financial Information').

These Restated Consolidated financial information have been prepared by the management for the purpose of inclusion in the Red Herring Prospectus ('RHP') to be filed by the Company with Securities and Exchange Board of India ('SEBI'), National Stock Exchange of India Limited and BSE Limited in connection with the proposed Initial Public Offering ('IPO') of its equity shares.

The Restated Consolidated Financial Information, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:

- a. Section 26 of the Companies Act, 2013 ("the Act") as amended from time to time;
- b. Paragraph A of Clause 11 (I) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the "SEBI ICDR Regulations") issued by the Securities and Exchange Board of India (the "SEBI"); and
- c. 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").

The Restated Consolidated Financial Information have been prepared by the Management from the audited consolidated financial statements of the Group as at and for the six months ended September 30, 2023, and September 30, 2022, the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021 which are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 (including subsequent amendments)] and other relevant provisions of the Act, which have been approved by the Board of Directors of the Holding Company at their meetings held on 21 January 2024, 03 August 2023, 21 December 2022 and 29 December 2021, respectively.

These Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of auditor's reports on the audited consolidated financial statements mentioned above.

The Restated Consolidated Financial Information:

- (a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors, if any, and regrouping/reclassifications retrospectively in the year ended 31 March 2023, 31 March 2022 and 31 March 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six months ended 30 September 2023.
- (b) do not require any adjustment for qualification as there are no qualifications in the underlying audit reports.



The restated consolidated financial information was authorised for issue in accordance with a resolution of the Board of Directors on 21 January 2024.

## B. Principles of Consolidation and other Equity Accounting

### (i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used for business combination by the group. The Group assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member in the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

### (ii) Consolidation procedure :

(a) The Group Combines the financial statements of parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses of the parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group.

### (iii) Non-controlling interests (NCI):

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

The subsidiaries considered in the consolidated financial statement are :

Sr. No.	Name of the Company	Country of Incorporation	% ownership as at 30 September 2023	with effect from
1	G.S.Pharmaceutical Distributors Private Limited	India	100%	09-08-2018
2	Novacare Healthcare Solutions Private Limited	India	100%	09-08-2018
3	R S M Pharma Private Limited	India	100%	14-08-2018
4	Getwell Medicare Solution Private Limited	India	85%	26-12-2018
5	Sundarlal Pharma Distributors Private Limited	India	100%	29-12-2018
6	Chhabra Healthcare Solutions Private Limited	India	100%	19-01-2019
7	Galaxystar Pharma Distributors Private Limited	India	100%	21-02-2019
8	Avenues Pharma Distributors Private Limited	India	100%	15-04-2019
9	Chirag Medicare Solutions Private Limited	India	100%	15-05-2019
10	Jaggi Enterprises Private Limited	India	100%	20-05-2019
11	Chethana Healthcare Solutions Private Limited	India	100%	29-05-2019
12	Vasavi Medicare Solutions Private Limited	India	100%	31-05-2019
13	SVMED Solutions Private Limited	India	100%	12-06-2019
14	Chethana Pharma Private Limited	India	100%	06-08-2019
15	Millennium Medisolutions Private Limited	India	100%	07-08-2019
16	Rada Medisolutions Private Limited	India	100%	21-08-2019

**Entero Healthcare Solutions Limited** (formerly known as Entero Healthcare Solutions Private Limited)**Annexure V - Notes to Restated Consolidated Financial Information**

(₹ in Million, unless otherwise stated)

Sr. No.	Name of the Company	Country of Incorporation	% ownership as at 30 September 2023	with effect from
17	Sesha Balajee Medisolutions Private Ltd	India	100%	13-01-2020
18	Barros Enterprises Private Limited	India	100%	02-03-2020
19	Rimedio Pharma Private Limited	India	100%	26-03-2020
20	Quromed Life Sciences Private Limited	India	100%	26-03-2020
21	Chethana Pharma Distributors Private Limited	India	100%	08-04-2020
22	Sree Venkateshwara Medisolutions Private Limited	India	100%	06-08-2020
23	CPD Pharma Private Limited	India	100%	14-09-2020
24	Calcutta Medisolutions Private Limited	India	100%	01-01-2021
25	Curever Pharma Private Limited	India	100%	19-01-2021
26	Western Healthcare Solutions Private Limited	India	100%	01-04-2021
27	City Pharma Distributor Private Limited	India	100%	14-04-2021
28	Atreja Healthcare Solutions Private Limited	India	100%	14-04-2021
29	Zennx Software Solutions Private Limited	India	100%	09-11-2021
30	New Siva Agencies Private Limited	India	100%	02-12-2021
31	New RRPD Private Limited	India	100%	03-12-2021
32	Swami Medisolutions Private Limited	India	100%	21-12-2021
33	Sri Parshva Pharma Distributors Private Limited	India	100%	01-02-2022
34	Sri Rama Pharmaceutical Distributors Private Limited	India	100%	01-03-2022
35	Saurashtra Medisolutions Private Limited	India	100%	01-05-2022
36	SVS Lifesciences Private Limited	India	100%	24-06-2022
37	S.S. Pharma Traders Private Limited	India	100%	18-08-2022
38	Entero R.S. Enterprises Private Limited	India	100%	16-09-2023

**C. Current and non-current classification**

All assets and liabilities are classified into current and non-current.

**Assets**

An asset is classified as current when it satisfied any of the following criteria:

- it is expected to be realised in, or intended for sale or consumption in, the group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the balance sheet date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the balance sheet date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

**Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

- it expects to settle the liability in its normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the balance sheet date; or the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

**D. Basis of Measurement**

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:-

- Certain Financial assets are measured at fair value (refer accounting policy on financial instruments)
- Employee's Defined Benefit Plan as per actuarial valuation.

**E. Use of Estimates**

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note No. 3 for detailed discussion on estimates and judgments.

**2.2 Property, Plant and Equipment (PPE) and Capital Work in Progress (CWIP)**

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses & Capital work in progress are stated at cost less impairment, if any. The cost comprises purchase price, directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts, rebates, input tax credit (IGST/CGST and SGST) or any other tax credit available to the Group are deducted in arriving at the purchase price.

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefit associated with these will flow to the group and the cost of the item can be measured reliably.

Borrowing costs to the extent related/attribution to the acquisition/construction of property, plant and equipment that takes substantial period of time to get ready for their intended use are capitalized up to the date such asset is ready for use.

An item of property, plant and equipment and any significant part initially recognised is derecognised 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 Statement of Profit or Loss when the asset is derecognised.

PPE not ready for intended use on the date of balance sheet are disclosed as “capital work-in-progress”.

**Depreciation on plant, property and equipment**

Depreciation on property, plant and equipment is provided on straightline method at their respective estimated useful lives, which is in line with the estimated useful lives as specified in Schedule II of the Companies Act, 2013 as given below:

Particulars	Useful Life as adopted (in years)
Leasehold Improvement*	Lease Period
Computer and peripherals	3-6
Furniture and fixtures	10
Office equipment**	3-5
Vehicle	8
Plant and Machineries	15
Electrical Installations and Equipment	10

\*Leasehold improvements are amortized over the period of the lease.

\*\* For the said class of assets, the Company uses different useful life than those prescribed in Schedule II of the Companies Act, 2013. The useful life has been assessed based on technical evaluation, taking into account the nature of the asset and the estimated usage basis management’s best judgement of economic benefits from the same classes of assets.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, as appropriate.

### 2.3 Other Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization.

The cost comprises purchase price, directly attributable cost of bringing the asset to its working condition for the intended use which includes any trade discounts, rebates, input tax credit (IGST/ CGST and SGST) or any other tax credit available to the group are deducted in arriving at the purchase price.

Borrowing costs to the extent related/attribution to the acquisition/construction of intangible asset that takes substantial period of time to get ready for their intended use are capitalized from the date it meets capitalization criteria till such asset is ready for use.

Intangible assets are amortized on a straight line basis over their estimated useful economic lives.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

A summary of amortization period applied to the Group's intangible assets is as below:

Particulars	Useful life (years)
Computer software	3-10

### 2.4 Fair value Measurement

The Group measures financial instruments, at fair value at each balance sheet date.

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 accessible to the Group.

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. The Group's management determines the policies and procedures for fair value measurement.

All assets and liabilities for which fair value is measured or disclosed in the financial statements 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 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- ▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

### 2.5 Revenue recognition

#### Revenue from Sale of Traded Goods

Revenue is recognized upon transfer of control of promised goods to customers. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to the contract are committed to perform their respective obligations under the contract. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, incentives, price concessions, amounts collected on behalf of third parties, or other similar items, if any, as specified in the contract with the customer. Revenue

is recorded provided the recovery of consideration is probable and determinable.

Revenue is recognized at a point in time when the goods and consumables are delivered at the agreed point of delivery.

#### **Marketing Support**

Marketing support income is recognised upon transfer of control of promised services to customers. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, incentives, performance bonuses, price concessions, amounts collected on behalf of third parties, or other similar items, if any, as specified in the contract with the customer. Revenue is recorded provided the recovery of consideration is probable and determinable.

### **2.6 Taxes**

#### **a) Current Income Tax:**

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. 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 income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### **2.7 Intangible asset under development**

The Group capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

### **2.8 Leases**

#### **The Group as a lessee**

The Group's lease asset classes primarily consist of leases for warehouse and office. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the Group has the right to obtain substantially all of the economic benefits from use of the identified asset through the period of the lease and (ii) the Group has the right to direct the use of the identified asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a short-term leases (term of twelve months or less ) and lease of low value assets. For these short-term leases and lease of low value assets, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the group's incremental borrowings rate. It remeasured when there is change in index or rate, if there is a change in group's estimate of amount expected to be payable under a residual value guarantee, or if the group changes its assessment of whether it will exercises a purchase, extension or termination option. When the lease liability is measured in this way, a corresponding adjustment is made to the carrying amount of right of -use asset, or is recorded in profit & loss if carrying amount of right of -use asset has been reduced to zero.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Group has elected not to recognize right-of use-asset and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The group recognizes the lease payment associated with these leases as an expense over the lease term.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

## **2.9 Inventories**

The inventory comprises of traded goods which are stated at the lower of cost and net realisable value. Cost of inventory of traded goods is arrived based on actual cost by batch which comprises cost of purchases and all other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Provision is made for the cost of obsolescence and other anticipated losses, whenever considered necessary.

## **2.10 Impairment of non-financial assets**

The Group assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Group estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account.

When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. 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 the purpose of impairment testing, assets are grouped together into the smallest group of assets that

generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "Cash-Generating Unit" - CGU).

Goodwill is tested for impairment annually, or more frequently, when there is an indication that the Goodwill may be impaired. For the purpose of impairment testing, the carrying amount of the cash generating unit, including goodwill, is compared with its fair value. If the carrying amount of the reporting unit exceeds its fair value, a goodwill impairment loss is recognised, up to a maximum amount of the goodwill related to the cash generating unit.

### **2.11 Business combinations**

The Group uses the acquisition method of accounting to account for business combinations. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Control exists when the Group is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The Group measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, less the net recognised amount of the identifiable assets acquired and liabilities assumed.

When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, a bargain purchase gain is recognised immediately in the OCI and accumulates the same in equity as capital reserve where there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase else the gain is directly recognised in equity as capital reserve. Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to the settlement of pre-existing relationships. Any goodwill that arises on account of such business combination is tested annually for impairment.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and the settlement is accounted for within equity. Otherwise, other contingent consideration is re-measured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recorded in the statement of profit and loss. A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

### **2.12 Provisions and Contingent Liabilities**

A provision is recognized when the Group has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

The Group creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

Contingent assets are neither recorded nor disclosed in the financial statements.

### **2.13 Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

## 2.14 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.

### (A) Financial assets

- i. Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not “at fair value through profit or loss”, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

- ii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the related cash flows.

#### Amortized cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

#### Fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets’ cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amounts are taken through Other Comprehensive Income (‘OCI’), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in “Other income” using the effective interest rate method.

The Group does not own any financial asset classified at fair value through other comprehensive income.

#### Fair value through profit or loss (FVTPL):

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through statement of profit and loss. Interest income from these financial assets is included in “Other income”.

Asset that do not meet criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. Interest income from these financial assets are included in other income. The group does not own any financial asset classified at fair value through profit or loss.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in OCI subsequent changes in the fair value in other comprehensive income. 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 FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to 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 statement of profit and loss.

iii. Impairment of financial asset

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv. De-recognition of financial asset

A financial asset is derecognized only when

- a) the right to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

**(B) Financial liabilities**

i. Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

ii. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

iii. Derecognition

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 Statement of Profit and Loss as finance costs.

**(C) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

## 2.15 Employee Benefits

### (a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### (b) Other long-term employee benefit obligations

#### (i) Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

The Group has no further obligations under these plans beyond its monthly contributions.

#### (ii) Defined Benefit Plans

Gratuity: The Group provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

Compensated Absences: Accumulated compensated absences are unused leaves which can be encashed only on discontinuation of service by employee. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

#### (iii) Share based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Companies' best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

### 2.16 Foreign Currency Transactions

#### (a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Group's functional and presentation currency.

#### (b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

### 2.17 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

The weighted average numbers of equity shares are adjusted for events such as bonus issue, bonus element in the rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### 2.18 Other Income

Interest income is accrued on a time proportion basis by reference to the principal outstanding and the effective interest rate.

Other items of income are accounted as and when the right to receive arises and it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

### 2.19 Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as Exceptional items.

### 2.20 Commitments

Commitments are future liability for contractual expenditure. Commitment are classified and disclosed as follows:

- i) Estimated amounts of contracts remaining to be executed on capital account and not provided for; and
- ii) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

### 2.21 Statements of cash flow

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities.

Cash flow from operating activities is reported using indirect method adjusting the profit before tax excluding exceptional items for the effects of:

- i. changes during the period in operating receivables and payables, transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses; and
- iii. all other items for which the cash effects are investing or financing cash flows.

### 3. Significant accounting Judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

#### 3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end 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. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

##### i) Recognition of deferred tax assets & Liabilities:

Deferred tax assets and liabilities are recognized for the future temporary differences between the carrying values of assets and liabilities and their respective tax bases, depreciation carry-forwards and tax credits.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and depreciation carry-forwards could be utilized. The position will be reviewed at each reporting period and will be recognised when the probability improves.

##### ii) Defined benefit plans (gratuity benefits and leave encashment)

The cost of the defined benefit plans such as gratuity and leave encashment 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 year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis.

##### iii) Intangible asset under development

The Group capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

##### iv) Impairment of Non Financial Assets and Goodwill

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

##### v) Sales Return

The Group accounts for sales returns accrual by recording refund liability concurrent with the recognition of revenue at the time of a product sale. This liability is based on the Group's estimate of expected sales returns. Accordingly, the estimate of sales returns is determined primarily by the Group's historical experience of sales returns.

At the time of recognising the refund liability, the Group also recognises an asset, (i.e., the right to the returned goods) which is included in Other Current assets for the products expected to be returned. The Group initially measures this asset at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. Along with re-measuring the refund liability at the end of each reporting period, the Group updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

#### **4. Recent accounting Pronouncements**

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

##### Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

##### Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Group does not expect these amendment to have any significant impact in its financial statements

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Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)  
Annexure V - Notes to Restated Consolidated Financial Information  
(₹ in million, unless otherwise stated)

5 Property, plant and equipment

Period ended 30 September 2023

Particulars	Gross block				Accumulated Depreciation				Net block	
	As at 1 April 2023	Additions	Acquired through Business Combination	Deductions	As at 30 September 2023	As at 1 April 2023	For the period	Deductions	As at 30 September 2023	As at 30 September 2023
<b>Leased assets</b>										
Right to Use Asset (Refer Note 41)	965.05	21.12	18.29	(31.40)	973.07	428.20	74.23	(13.14)	489.29	483.77
<b>Owned assets</b>										
Plant and machineries	100.61	9.01	0.03	(1.51)	108.14	23.53	4.20	(0.42)	27.30	80.84
Electrical Installations	103.70	1.19	-	(0.47)	104.41	29.27	4.87	(0.01)	34.13	70.28
Furniture and fixtures	181.99	6.96	0.39	(3.92)	185.43	51.71	9.29	(0.52)	60.48	124.95
Office equipment	65.65	2.21	3.61	(0.09)	71.38	36.59	6.16	(0.01)	42.75	28.64
Computer and peripherals	67.80	5.68	0.03	(0.12)	73.38	47.35	6.47	(0.01)	53.80	19.58
Vehicles	29.93	2.82	0.79	(0.20)	33.34	11.24	2.17	(0.12)	13.29	20.05
Leasehold improvements	149.57	2.87	-	-	152.44	67.80	9.11	-	76.90	75.53
<b>Total</b>	<b>1,664.30</b>	<b>51.86</b>	<b>23.14</b>	<b>(37.71)</b>	<b>1,701.59</b>	<b>695.69</b>	<b>116.50</b>	<b>(14.23)</b>	<b>797.96</b>	<b>903.63</b>

Period ended 30 September 2022

Particulars	Gross block				Accumulated Depreciation				Net block	
	As at 1 April 2022	Additions	Acquired through Business Combination	Deductions	As at 30 September 2022	As at 1 April 2022	For the period	Deductions	As at 30 September 2022	As at 30 September 2022
<b>Leased assets</b>										
Right to Use Asset (Refer Note 41)	922.08	58.60	-	(33.77)	946.92	305.49	71.67	(6.93)	370.23	576.69
<b>Owned assets</b>										
Plant and machineries	97.96	1.70	0.81	(0.68)	99.80	11.65	4.21	(0.29)	15.57	84.23
Electrical Installations	94.70	1.46	0.95	(0.37)	96.74	21.09	4.65	(0.15)	25.59	71.15
Furniture and fixtures	165.36	12.12	6.07	(0.96)	182.59	37.80	8.87	(0.50)	46.17	136.42
Office equipment	51.74	4.44	1.25	(0.05)	57.38	24.14	5.59	(0.21)	29.52	27.86
Computer and peripherals	56.96	5.90	0.42	(0.04)	63.23	30.30	6.40	(0.02)	36.68	26.55
Vehicles	23.71	3.05	0.35	(0.32)	26.78	6.71	2.22	(0.19)	8.74	18.04
Leasehold improvements	145.61	3.06	-	(0.21)	148.46	47.71	10.22	(0.10)	57.83	90.63
<b>Total</b>	<b>1,558.12</b>	<b>90.33</b>	<b>9.85</b>	<b>(36.40)</b>	<b>1,621.90</b>	<b>484.89</b>	<b>113.83</b>	<b>(8.39)</b>	<b>590.33</b>	<b>1,031.57</b>

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)  
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Year ended 31 March 2023	Gross block				Accumulated Depreciation				Net block	
	As at 1 April 2022	Additions	Acquired through Business Combination	Deductions	As at 31 March 2023	As at 1 April 2022	For the year	Deductions	As at 31 March 2023	As at 31 March 2023
<b>Leased assets</b>										
Right to Use Asset (Refer Note 41)	922.09	102.21	-	(59.25)	965.05	305.49	146.31	(23.60)	428.20	536.85
<b>Owned assets</b>										
Plant and machineries	97.96	3.08	0.79	(1.22)	100.61	11.65	12.11	(0.23)	23.53	77.08
Electrical Installations	94.70	4.72	4.76	(0.48)	103.70	21.09	8.33	(0.15)	29.27	74.43
Furniture and fixtures	165.36	16.53	1.68	(1.58)	181.99	37.80	14.41	(0.50)	51.71	130.28
Office equipment	51.74	13.00	1.25	(0.34)	65.65	24.14	12.66	(0.21)	36.59	29.06
Computer and peripherals	56.96	10.67	0.42	(0.25)	67.80	30.30	17.23	(0.18)	47.35	20.45
Vehicles	23.71	6.33	0.34	(0.45)	29.93	6.71	4.67	(0.14)	11.24	18.69
Leasehold improvements	145.61	4.02	-	(0.06)	149.57	47.71	20.11	(0.02)	67.80	81.77
<b>Total</b>	<b>1,558.13</b>	<b>160.56</b>	<b>9.24</b>	<b>(63.63)</b>	<b>1,664.30</b>	<b>484.89</b>	<b>235.83</b>	<b>(25.03)</b>	<b>695.69</b>	<b>968.61</b>
<b>Year ended 31 March 2022</b>										
	Gross block				Accumulated Depreciation				Net block	
Particulars	As at 1 April 2021	Additions	Acquired through Business Combination	Deductions	As at 31 March 2022	As at 1 April 2021	For the year	Deductions	As at 31 March 2022	As at 31 March 2022
<b>Leased assets</b>										
Right to Use Asset (Refer Note 41)	745.81	183.67	-	(7.39)	922.09	187.04	120.33	(1.88)	305.49	616.60
<b>Owned assets</b>										
Plant and machineries	58.23	8.81	30.92	-	97.96	6.38	5.27	-	11.65	86.31
Electrical Installations	84.71	9.89	0.11	(0.01)	94.70	12.49	8.60	(0.00)	21.09	73.61
Furniture and fixtures	137.31	26.01	3.21	(1.17)	165.36	23.22	14.89	(0.31)	37.80	127.56
Office equipment	45.15	6.13	0.46	-	51.74	15.10	9.04	-	24.14	27.60
Computer and peripherals	37.72	18.20	1.04	-	56.96	17.26	13.04	-	30.30	26.66
Vehicles	17.81	6.18	1.76	(2.04)	23.71	4.66	2.61	(0.56)	6.71	17.00
Leasehold improvements	135.84	9.77	-	-	145.61	29.16	18.55	-	47.71	97.90
<b>Total</b>	<b>1,262.58</b>	<b>268.66</b>	<b>37.50</b>	<b>(10.61)</b>	<b>1,558.13</b>	<b>295.31</b>	<b>192.33</b>	<b>(2.75)</b>	<b>484.89</b>	<b>1,073.24</b>
<b>Year ended 31 March 2021</b>										
	Gross block				Accumulated Depreciation				Net block	
Particulars	As at 1 April 2020	Additions	Acquired through Business Combination	Deductions	As at 31 March 2021	As at 1 April 2020	For the year	Deductions	As at 31 March 2021	As at 31 March 2021
<b>Leased assets</b>										
Right to Use Asset (Refer Note 41)	640.40	105.41	-	-	745.81	86.68	100.36	-	187.04	558.77
<b>Owned assets</b>										
Plant and machineries	52.01	6.22	-	-	58.23	2.61	3.77	-	6.38	51.85
Electrical Installations	73.42	11.58	-	(0.29)	84.71	4.80	7.74	(0.05)	12.49	72.22
Furniture and fixtures	124.55	12.70	0.06	-	137.31	10.49	12.73	-	23.22	114.09
Office equipment	38.59	6.82	-	(0.26)	45.15	7.35	7.86	(0.11)	15.10	30.05
Computer and peripherals	26.97	10.74	0.02	(0.01)	37.72	8.33	8.93	(0.00)	17.26	20.46
Vehicles	18.29	1.24	-	(1.72)	17.81	3.08	2.28	(0.70)	4.66	13.15
Leasehold improvements	126.60	9.24	-	-	135.84	11.94	17.22	-	29.16	106.68
<b>Total</b>	<b>1,100.83</b>	<b>163.95</b>	<b>0.08</b>	<b>(2.28)</b>	<b>1,262.58</b>	<b>135.28</b>	<b>160.89</b>	<b>(0.86)</b>	<b>295.31</b>	<b>967.27</b>

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)  
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(₹ in million, unless otherwise stated)

6 Goodwill

Period ended 30 September 2023	Gross block			Impairment			Net	
	As at 1 April 2023	Acquired through Business Combination	Deductions/ Adjustments	As at 30 September 2023	As at 1 April 2023	For the Period	As at 30 September 2023	As at 30 September 2023
Particulars								
Goodwill	1,670.32	20.74	(8.00)	1,683.06	-	-	-	1,683.06
<b>Total</b>	<b>1,670.32</b>	<b>20.74</b>	<b>(8.00)</b>	<b>1,683.06</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,683.06</b>

Period ended 30 September 2022	Gross block			Impairment			Net	
	As at 1 April 2022	Acquired through Business Combination	Deductions/ Adjustments	As at 30 September 2022	As at 1 April 2022	For the Period	As at 30 September 2022	As at 30 September 2022
Particulars								
Goodwill	1,502.44	174.38	(6.50)	1,670.32	-	-	-	1,670.32
<b>Total</b>	<b>1,502.44</b>	<b>174.38</b>	<b>(6.50)</b>	<b>1,670.32</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,670.32</b>

Year ended 31 March 2023	Gross block			Impairment			Net	
	As at 1 April 2022	Acquired through Business Combination	Deductions/ Adjustments	As at 31 March 2023	As at 1 April 2022	For the year	As at 31 March 2023	As at 31 March 2023
Particulars								
Goodwill	1,502.44	174.38	(6.50)	1,670.32	-	-	-	1,670.32
<b>Total</b>	<b>1,502.44</b>	<b>174.38</b>	<b>(6.50)</b>	<b>1,670.32</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,670.32</b>

Year ended 31 March 2022	Gross block			Impairment			Net	
	As at 1 April 2021	Acquired through Business Combination	Deductions/ Adjustments	As at 31 March 2022	As at 1 April 2021	For the year	As at 31 March 2022	As at 31 March 2022
Particulars								
Goodwill	894.90	607.54	-	1,502.44	-	-	-	1,502.44
<b>Total</b>	<b>894.90</b>	<b>607.54</b>	<b>-</b>	<b>1,502.44</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,502.44</b>

Year ended 31 March 2021	Gross block			Impairment			Net	
	As at 1 April 2020	Acquired through Business Combination	Deductions/ Adjustments	As at 31 March 2021	As at 1 April 2020	For the year	As at 31 March 2021	As at 31 March 2021
Particulars								
Goodwill	891.16	13.74	(10.00)	894.90	-	-	-	894.90
<b>Total</b>	<b>891.16</b>	<b>13.74</b>	<b>(10.00)</b>	<b>894.90</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>894.90</b>



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7 Other intangible assets

Period ended 30 September 2023		Gross block				Accumulated Amortisation				Net block
Particulars	As at 1 April 2023	Additions	Acquired through Business Combination	Deductions	As at 30 September 2023	As at 1 April 2023	For the period	Deductions	As at 30 September 2023	As at 30 September 2023
Computer Software	52.55	-	-	-	52.55	14.18	2.65	-	16.83	35.72
<b>Total</b>	<b>52.55</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52.55</b>	<b>14.18</b>	<b>2.65</b>	<b>-</b>	<b>16.83</b>	<b>35.72</b>

Period ended 30 September 2022		Gross block				Accumulated Amortisation				Net block
Particulars	As at 1 April 2022	Additions	Acquired through Business Combination	Deductions	As at 30 September 2022	As at 1 April 2022	For the period	Deductions	As at 30 September 2022	As at 30 September 2022
Computer Software	51.64	0.13	-	-	51.77	7.64	2.70	-	10.34	41.43
<b>Total</b>	<b>51.64</b>	<b>0.13</b>	<b>-</b>	<b>-</b>	<b>51.77</b>	<b>7.64</b>	<b>2.70</b>	<b>-</b>	<b>10.34</b>	<b>41.43</b>

Year ended 31 March 2023		Gross block				Accumulated Amortisation				Net block
Particulars	As at 1 April 2022	Additions	Acquired through Business Combination	Deductions	As at 31 March 2023	As at 1 April 2022	For the year	Deductions	As at 31 March 2023	As at 31 March 2023
Computer Software	51.64	0.91	-	-	52.55	7.64	6.54	-	14.18	38.37
<b>Total</b>	<b>51.64</b>	<b>0.91</b>	<b>-</b>	<b>-</b>	<b>52.55</b>	<b>7.64</b>	<b>6.54</b>	<b>-</b>	<b>14.18</b>	<b>38.37</b>

Year ended 31 March 2022		Gross block				Accumulated Amortisation				Net block
Particulars	As at 1 April 2021	Additions	Acquired through Business Combination	Deductions	As at 31 March 2022	As at 1 April 2021	For the year	Deductions	As at 31 March 2022	As at 31 March 2022
Computer Software	25.98	25.66	-	-	51.64	2.43	5.21	-	7.64	44.00
<b>Total</b>	<b>25.98</b>	<b>25.66</b>	<b>-</b>	<b>-</b>	<b>51.64</b>	<b>2.43</b>	<b>5.21</b>	<b>-</b>	<b>7.64</b>	<b>44.00</b>

Year ended 31 March 2021		Gross block				Accumulated Amortisation				Net block
Particulars	As at 1 April 2020	Additions	Acquired through Business Combination	Deductions	As at 31 March 2021	As at 1 April 2020	For the year	Deductions	As at 31 March 2021	As at 31 March 2021
Computer Software	6.33	19.65	-	-	25.98	0.56	1.87	-	2.43	23.55
<b>Total</b>	<b>6.33</b>	<b>19.65</b>	<b>-</b>	<b>-</b>	<b>25.98</b>	<b>0.56</b>	<b>1.87</b>	<b>-</b>	<b>2.43</b>	<b>23.55</b>

Refer to Note 27 for information on property, plant and equipment pledged as security by the group.

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8 Intangible assets under development

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Opening Balance	-	0.54	0.54	22.40	22.55
Add : Additions during the year	-	-	-	3.14	18.91
Less: Capitalized during the year	-	-	(0.54)	(25.00)	(19.06)
<b>Closing Balance</b>	-	<b>0.54</b>	-	<b>0.54</b>	<b>22.40</b>

Intangible assets under development ageing schedule

As at 30 September 2023

Particulars	To be completed in				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

As at 30 September 2022

Particulars	To be completed in				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	0.54	-	-	-	<b>0.54</b>
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2023

Particulars	To be completed in				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2022

Particulars	To be completed in				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	0.54	-	-	-	<b>0.54</b>
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2021

Particulars	To be completed in				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	18.91	3.49	-	-	<b>22.40</b>
Projects temporarily suspended	-	-	-	-	-

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9 Capital Work in Progress

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Opening Balance	-	5.86	5.86	-	-
Add : Additions during the year	-	-	-	5.86	-
Less: Capitalized during the year	-	(3.65)	(5.86)	-	-
<b>Closing Balance</b>	-	<b>2.21</b>	-	<b>5.86</b>	-

**CWIP ageing schedule as on 30 September 2023**

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

**CWIP ageing schedule as on 30 September 2022**

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	2.21	-	-	-	<b>2.21</b>
Projects temporarily suspended	-	-	-	-	-

**CWIP ageing schedule as on 31 March 2023**

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

**CWIP ageing schedule as on 31 March 2022**

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	5.86	-	-	-	<b>5.86</b>
Projects temporarily suspended	-	-	-	-	-

**CWIP ageing schedule as on 31 March 2021**

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

There are no projects as Capital Work in Progress as at 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021, whose completion is overdue or cost of which has exceeds in comparison to its original plan.

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(₹ in million, unless otherwise stated)

10 Other Financial Assets

Unsecured, considered good

	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Security Deposits	90.59	62.12	65.47	67.46	63.93
In Deposit accounts with maturity for more than 12 months	32.50	-	14.00	-	-
<b>Total</b>	<b>123.09</b>	<b>62.12</b>	<b>79.47</b>	<b>67.46</b>	<b>63.93</b>

11 Deferred tax balances

Deferred tax balances are presented in the balance sheet as follows:

Particulars

	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Deferred tax assets (Net)	70.67	13.73	20.08	6.77	3.29
Deferred tax liabilities (Net)	(10.54)	(15.26)	(6.72)	(17.43)	(16.23)
<b>Net Deferred tax (asset)/ liabilities (net)</b>	<b>60.13</b>	<b>(1.54)</b>	<b>13.36</b>	<b>(10.66)</b>	<b>(12.94)</b>

Deferred tax assets/(liabilities) arise from the following:

**Deferred tax assets (Net)**

Deferred tax assets

	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Expenses provided but allowable in Income Tax on payment basis	2.47	0.01	0.22	0.07	0.07
On Ind AS 116 Adjustment	19.70	3.14	5.38	2.13	0.93
Gratuity & Leave Encashment	14.40	2.60	3.67	2.24	1.41
Expected Credit Loss on Loans and advances	28.41	3.08	6.31	1.75	0.28
Unabsorbed depreciation	3.31	1.69	1.58	0.20	1.23
Unabsorbed loss	10.86	4.04	10.95	0.42	-
Timing difference between tax depreciation and depreciation charged in the books	2.57	0.92	0.06	-	-
	<b>81.72</b>	<b>15.48</b>	<b>28.17</b>	<b>6.81</b>	<b>3.92</b>

Deferred tax liabilities

Timing difference between tax depreciation and depreciation charged in the books

	(11.05)	(1.75)	(8.09)	(0.04)	(0.63)
	<b>(11.05)</b>	<b>(1.75)</b>	<b>(8.09)</b>	<b>(0.04)</b>	<b>(0.63)</b>
	<b>70.67</b>	<b>13.73</b>	<b>20.08</b>	<b>6.77</b>	<b>3.29</b>

**Deferred tax liabilities (Net)**

Deferred tax assets

	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Expenses provided but allowable in Income Tax on payment basis	0.01	-	0.19	(0.04)	0.16
On Ind AS 116 Adjustment	7.45	6.02	4.99	6.84	3.65
Gratuity & Leave Encashment	5.56	5.15	5.37	5.59	1.43
Expected Credit Loss on Loans and advances	4.99	4.51	6.02	3.82	0.60
Unabsorbed depreciation	-	1.06	(0.01)	(1.07)	-
Unabsorbed loss	-	0.93	(0.34)	(2.69)	-
Timing difference between tax depreciation and depreciation charged in the books	-	-	0.03	-	-
	<b>18.01</b>	<b>17.67</b>	<b>16.25</b>	<b>12.45</b>	<b>5.84</b>

Deferred tax liabilities

Fair Valuation of Investment

Timing difference between tax depreciation and depreciation charged in the books

	(28.55)	(32.93)	(22.97)	(29.88)	(22.07)
	<b>(28.55)</b>	<b>(32.93)</b>	<b>(22.97)</b>	<b>(29.88)</b>	<b>(22.07)</b>
	<b>(10.54)</b>	<b>(15.26)</b>	<b>(6.72)</b>	<b>(17.43)</b>	<b>(16.23)</b>

**Movement in Deferred taxes for the period ended 30 September 2023:**

**Movement in Deferred tax assets (net):**

Particulars	As at 31 March 2023	Recognised in Profit and Loss	Recognised in other comprehensive income	As at 30 September 2023
<u>Deferred tax assets</u>				
Expenses provided but allowable in Income Tax on payment basis	0.22	2.25		2.47
On Ind AS 116 Adjustment	5.38	14.32		19.70
Gratuity & Leave Encashment	3.67	10.58	0.15	14.40
Expected Credit Loss on Loans and advances	6.31	22.10		28.41
Unabsorbed depreciation	1.58	1.73		3.31
Unabsorbed loss	10.95	(0.09)		10.86
Timing difference between tax depreciation and depreciation charged in the books	0.06	2.51		2.57
	<b>28.17</b>	<b>53.40</b>	<b>0.15</b>	<b>81.72</b>
<u>Deferred tax liabilities</u>				
Timing difference between tax depreciation and depreciation charged in the books	(8.09)	(2.96)		(11.05)
	<b>(8.09)</b>	<b>(2.96)</b>	<b>-</b>	<b>(11.05)</b>
	<b>20.08</b>	<b>50.44</b>	<b>0.15</b>	<b>70.67</b>

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**Movement in Deferred tax liabilities (net):**

Particulars	As at 31 March 2023	Recognised in Profit and Loss	Recognised in other comprehensive income	As at 30 September 2023
<u>Deferred tax assets</u>				
Expenses provided but allowable in Income Tax on payment basis	0.19	(0.18)	-	0.01
On Ind AS 116 Adjustment	4.99	2.46	-	7.45
Gratuity & Leave Encashment	5.37	0.19	-	5.56
Expected Credit Loss on Loans and advances	6.02	(1.03)	-	4.99
Unabsorbed depreciation	(0.01)	0.01	-	-
Unabsorbed loss	(0.34)	0.34	-	-
Timing difference between tax depreciation and depreciation charged in the books	0.03	(0.03)	-	-
	<b>16.25</b>	<b>1.76</b>	<b>-</b>	<b>18.01</b>
<u>Deferred tax liabilities</u>				
Timing difference between tax depreciation and depreciation charged in the books	(22.97)	(5.58)	-	(28.55)
	<b>(22.97)</b>	<b>(5.58)</b>	<b>-</b>	<b>(28.55)</b>
	<b>(6.72)</b>	<b>(3.82)</b>	<b>-</b>	<b>(10.54)</b>

**Movement in Deferred taxes for the period ended 30 September 2022:**

**Movement in Deferred tax assets (net):**

Particulars	As at 31 March 2022	Recognised in Profit and Loss	Recognised in other comprehensive income	As at 30 September 2022
<u>Deferred tax assets</u>				
Expenses provided but allowable in Income Tax on payment basis	0.07	(0.06)	-	0.01
On Ind AS 116 Adjustment	2.13	1.01	-	3.14
Gratuity & Leave Encashment	2.24	1.45	(1.09)	2.60
Expected Credit Loss on Loans and advances	1.75	1.33	-	3.08
Unabsorbed depreciation	0.20	1.49	-	1.69
Unabsorbed loss	0.42	3.62	-	4.04
Timing difference between tax depreciation and depreciation charged in the books	-	0.92	-	0.92
	<b>6.81</b>	<b>9.76</b>	<b>(1.09)</b>	<b>15.48</b>
<u>Deferred tax liabilities</u>				
Timing difference between tax depreciation and depreciation charged in the books	(0.04)	(1.71)	-	(1.75)
	<b>(0.04)</b>	<b>(1.71)</b>	<b>-</b>	<b>(1.75)</b>
	<b>6.77</b>	<b>8.04</b>	<b>(1.09)</b>	<b>13.73</b>

**Movement in Deferred tax liabilities (net):**

Particulars	As at 31 March 2022	Recognised in Profit and Loss	Recognised in other comprehensive income	As at 30 September 2022
<u>Deferred tax assets</u>				
Expenses provided but allowable in Income Tax on payment basis	(0.04)	0.04	-	-
On Ind AS 116 Adjustment	6.84	(0.82)	-	6.02
Gratuity & Leave Encashment	5.59	(0.44)	-	5.15
Expected Credit Loss on Loans and advances	3.82	0.69	-	4.51
Unabsorbed depreciation	(1.07)	2.13	-	1.06
Unabsorbed loss	(2.69)	3.63	-	0.93
Timing difference between tax depreciation and depreciation charged in the books	-	-	-	-
Disallowance u/s 40a - Audit Fees	0.01	(0.01)	-	-
	<b>12.46</b>	<b>5.21</b>	<b>-</b>	<b>17.67</b>
<u>Deferred tax liabilities</u>				
Timing difference between tax depreciation and depreciation charged in the books	(29.88)	(3.05)	-	(32.93)
	<b>(29.88)</b>	<b>(3.05)</b>	<b>-</b>	<b>(32.93)</b>
	<b>(17.42)</b>	<b>2.16</b>	<b>-</b>	<b>(15.26)</b>

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**Movement in Deferred taxes for the period ended 31 March 2023:**

**Movement in Deferred tax assets (net):**

Particulars	As at 31 March 2022	Recognised in Profit and Loss	Recognised in other comprehensive income	As at 31 March 2023
<i>Deferred tax assets</i>				
Expenses provided but allowable in Income Tax on payment basis	0.07	0.15	-	0.22
On Ind AS 116 Adjustment	2.13	3.25	-	5.38
Gratuity & Leave Encashment	2.24	2.91	(1.48)	3.67
Expected Credit Loss on Loans and advances	1.75	4.56	-	6.31
Unabsorbed depreciation	0.20	1.38	-	1.58
Unabsorbed loss	0.42	10.53	-	10.95
Timing difference between tax depreciation and depreciation charged in the books	-	0.06	-	0.06
	<b>6.81</b>	<b>22.84</b>	<b>(1.48)</b>	<b>28.17</b>
<i>Deferred tax liabilities</i>				
Timing difference between tax depreciation and depreciation charged in the books	(0.04)	(8.05)	-	(8.09)
	<b>(0.04)</b>	<b>(8.05)</b>	<b>-</b>	<b>(8.09)</b>
	<b>6.77</b>	<b>14.79</b>	<b>(1.48)</b>	<b>20.08</b>

**Movement in Deferred tax liabilities (net):**

Particulars	As at 31 March 2022	Recognised in Profit and Loss	Recognised in other comprehensive income	As at 31 March 2023
<i>Deferred tax assets</i>				
Expenses provided but allowable in Income Tax on payment basis	(0.04)	0.23	-	0.19
On Ind AS 116 Adjustment	6.84	(1.85)	-	4.99
Gratuity & Leave Encashment	5.59	(0.22)	-	5.37
Expected Credit Loss on Loans and advances	3.82	2.20	-	6.02
Unabsorbed depreciation	(1.07)	1.06	-	(0.01)
Unabsorbed loss	(2.69)	2.35	-	(0.34)
Timing difference between tax depreciation and depreciation charged in the books	-	0.03	-	0.03
	<b>12.45</b>	<b>3.80</b>	<b>-</b>	<b>16.25</b>
<i>Deferred tax liabilities</i>				
Timing difference between tax depreciation and depreciation charged in the books	(29.88)	6.91	-	(22.97)
	<b>(29.88)</b>	<b>6.91</b>	<b>-</b>	<b>(22.97)</b>
	<b>(17.43)</b>	<b>10.71</b>	<b>-</b>	<b>(6.72)</b>

**Movement in Deferred taxes for the period ended 31 March 2022:**

**Movement in Deferred tax assets (net):**

Particulars	As at 31 March 2021	Recognised in Profit and Loss	Recognised in other comprehensive income	As at 31 March 2022
<i>Deferred tax assets</i>				
Expenses provided but allowable in Income Tax on payment basis	0.07	-	-	0.07
On Ind AS 116 Adjustment	0.93	1.20	-	2.13
Gratuity & Leave Encashment	1.41	0.90	(0.07)	2.24
Expected Credit Loss on Loans and advances	0.28	1.47	-	1.75
Unabsorbed depreciation	1.23	(1.03)	-	0.20
Unabsorbed loss	-	0.42	-	0.42
	<b>3.92</b>	<b>2.96</b>	<b>(0.07)</b>	<b>6.81</b>
<i>Deferred tax liabilities</i>				
Timing difference between tax depreciation and depreciation charged in the books	(0.63)	0.59	-	(0.04)
	<b>(0.63)</b>	<b>0.59</b>	<b>-</b>	<b>(0.04)</b>
	<b>3.29</b>	<b>3.55</b>	<b>(0.07)</b>	<b>6.77</b>

**Movement in Deferred tax liabilities (net):**

Particulars	As at 31 March 2021	Recognised in Profit and Loss	Recognised in other comprehensive income	As at 31 March 2022
<i>Deferred tax assets</i>				
Expenses provided but allowable in Income Tax on payment basis	0.16	(0.20)	-	(0.04)
On Ind AS 116 Adjustment	3.65	3.19	-	6.84
Gratuity & Leave Encashment	1.43	4.16	-	5.59
Expected Credit Loss on Loans and advances	0.60	3.22	-	3.82
Unabsorbed depreciation	-	(1.07)	-	(1.07)
Unabsorbed loss	-	(2.69)	-	(2.69)
	<b>5.84</b>	<b>6.61</b>	<b>-</b>	<b>12.45</b>
<i>Deferred tax liabilities</i>				
Timing difference between tax depreciation and depreciation charged in the books	(22.07)	(7.81)	-	(29.88)
	<b>(22.07)</b>	<b>(7.81)</b>	<b>-</b>	<b>(29.88)</b>
	<b>(16.23)</b>	<b>(1.20)</b>	<b>-</b>	<b>(17.43)</b>

**Movement in Deferred taxes for the period ended 31 March 2021:**

**Movement in Deferred tax assets (net):**

Particulars	As at 31 March 2020	Recognised in Profit and Loss	Recognised in other comprehensive income	As at 31 March 2021
<i>Deferred tax assets</i>				
Expenses provided but allowable in Income Tax on payment basis	0.03	0.04	-	0.07
On Ind AS 116 Adjustment	0.31	0.62	-	0.93
Gratuity & Leave Encashment	0.95	0.26	0.20	1.41
Expected Credit Loss on Loans and advances	0.05	0.23	-	0.28
Unabsorbed depreciation	-	1.23	-	1.23
Timing difference between tax depreciation and depreciation charged in the books	1.12	(1.12)	-	-
	<b>2.46</b>	<b>1.26</b>	<b>0.20</b>	<b>3.92</b>
<i>Deferred tax liabilities</i>				
Timing difference between tax depreciation and depreciation charged in the books	-	(0.63)	-	(0.63)
	-	<b>(0.63)</b>	-	<b>(0.63)</b>
	<b>2.46</b>	<b>0.63</b>	<b>0.20</b>	<b>3.29</b>

**Movement in Deferred tax liabilities (net):**

Particulars	As at 31 March 2020	Recognised in Profit and Loss	Recognised in other comprehensive income	As at 31 March 2021
<i>Deferred tax assets</i>				
Expenses provided but allowable in Income Tax on payment basis	0.18	(0.02)	-	0.16
On Ind AS 116 Adjustment	(5.66)	9.31	-	3.65
Gratuity & Leave Encashment	0.55	0.88	-	1.43
Expected Credit Loss on Loans and advances	0.23	0.37	-	0.60
Unabsorbed depreciation	7.13	(7.13)	-	-
	<b>2.43</b>	<b>3.41</b>	-	<b>5.84</b>
<i>Deferred tax liabilities</i>				
Timing difference between tax depreciation and depreciation charged in the books	(20.05)	(2.02)	-	(22.07)
IND AS Adjustment	(0.78)	0.78	-	-
MAT	1.12	(1.12)	-	-
	<b>(19.71)</b>	<b>(2.36)</b>	-	<b>(22.07)</b>
	<b>(17.28)</b>	<b>1.05</b>	-	<b>(16.23)</b>

The Group has unabsorbed business losses and depreciation which according to management will be used to set off taxable profit arising in the next few years from operations of the company. However, the Group has not recognised deferred tax assets of INR 376.91 million (31 March 2022: INR 263.68 million and 31 March 2021: INR 101.77 million) due to absence of reasonable certainty of the ability to set off carry forward losses and unabsorbed depreciation against taxable profit in the immediate future. The position will be reviewed at each reporting period and will be recognised when the probability improves.

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Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)  
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	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
<b>12 Non Current Tax assets / Current Tax Liabilities (Net)</b>					
Advance income tax (Net)	82.45	53.86	78.72	48.62	33.29
<b>Total</b>	<b>82.45</b>	<b>53.86</b>	<b>78.72</b>	<b>48.62</b>	<b>33.29</b>
Provision for tax (Net)	41.13	18.73	17.82	12.34	7.40
<b>Total</b>	<b>41.13</b>	<b>18.73</b>	<b>17.82</b>	<b>12.34</b>	<b>7.40</b>
<b>13 Other non-current assets</b>					
Capital advance	-	-	-	2.07	-
<b>Total other non-current other assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.07</b>	<b>-</b>
<b>14 Inventories</b>					
<b>At lower of cost and net realizable value</b>					
Stock-in-trade*	3,874.64	3,254.77	3,416.28	3,101.64	2,439.26
<b>Total</b>	<b>3,874.64</b>	<b>3,254.77</b>	<b>3,416.28</b>	<b>3,101.64</b>	<b>2,439.26</b>

\*Refer to Note 27 for information on stock in trade pledged as security by the group.

	As at 31 March 2023	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
<b>15 Trade receivable</b>					
Unsecured					
- Considered good	6,304.88	4,771.89	5,148.84	3,745.99	2,421.52
- Receivables which have significant increase in Credit Risk	161.79	86.62	132.51	82.25	20.83
Less: Expected loss allowances	(161.79)	(86.62)	(132.51)	(82.25)	(20.83)
<b>Total</b>	<b>6,304.88</b>	<b>4,771.89</b>	<b>5,148.84</b>	<b>3,745.99</b>	<b>2,421.52</b>

Refer note 48 for Expected loss allowance movement

Trade Receivables Ageing Schedule

As at 30 September 2023

Particulars	Unbilled	Outstanding from the date of transaction				Total	
		Less Than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years		More Than 3 Years
<b>Undisputed</b>							
- Considered good	-	5,700.73	281.91	180.86	85.32	56.06	6,304.88
- Receivables which have significant increase in Credit Risk	-	9.67	1.42	9.32	85.32	56.06	161.79
	-	<b>5,710.40</b>	<b>283.33</b>	<b>190.17</b>	<b>170.63</b>	<b>112.12</b>	<b>6,466.67</b>
Less: Loss Allowance	-	(9.67)	(1.42)	(9.32)	(85.32)	(56.06)	(161.79)
<b>Total Trade Receivable</b>	-	<b>5,700.73</b>	<b>281.91</b>	<b>180.86</b>	<b>85.32</b>	<b>56.06</b>	<b>6,304.88</b>

As at 30 September 2022

Particulars	Unbilled	Outstanding from date of transaction				Total	
		Less Than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years		More Than 3 Years
<b>Undisputed</b>							
- Considered good	-	4,402.24	190.12	103.71	60.82	15.00	4,771.89
- Receivables which have significant increase in Credit Risk	-	4.66	0.95	5.19	60.82	15.00	86.62
	-	<b>4,406.90</b>	<b>191.07</b>	<b>108.89</b>	<b>121.64</b>	<b>29.99</b>	<b>4,858.50</b>
Less: Loss Allowance	-	(4.66)	(0.95)	(5.19)	(60.82)	(15.00)	(86.62)
<b>Total Trade Receivable</b>	-	<b>4,402.24</b>	<b>190.12</b>	<b>103.71</b>	<b>60.82</b>	<b>15.00</b>	<b>4,771.89</b>

As at 31 March 2023

Particulars	Unbilled	Outstanding from the date of transaction				Total	
		Less Than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years		More Than 3 Years
<b>Undisputed</b>							
- Considered good	-	4,734.14	265.50	149.20	-	-	5,148.84
- Receivables which have significant increase in Credit Risk	-	-	-	10.24	63.20	59.07	132.51
	-	<b>4,734.14</b>	<b>265.50</b>	<b>159.44</b>	<b>63.20</b>	<b>59.07</b>	<b>5,281.35</b>
Less: Loss Allowance	-	-	-	(10.24)	(63.20)	(59.07)	(132.51)
<b>Total Trade Receivable</b>	-	<b>4,734.14</b>	<b>265.50</b>	<b>149.20</b>	<b>-</b>	<b>-</b>	<b>5,148.84</b>



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(₹ in million, unless otherwise stated)

As at 31 March 2022

Particulars	Outstanding from date of transaction					Total	
	Unbilled	Less Than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years		More Than 3 Years
<b>Undisputed</b>							
- Considered good	-	3,300.87	296.48	142.04	6.06	0.54	3,745.99
- Receivables which have significant increase in Credit Risk	-	0.74	0.03	13.90	54.75	12.83	82.25
	-	<b>3,301.61</b>	<b>296.51</b>	<b>155.94</b>	<b>60.81</b>	<b>13.37</b>	<b>3,828.24</b>
Less: Loss Allowance	-	(0.74)	(0.03)	(13.90)	(54.75)	(12.83)	(82.25)
<b>Total Trade Receivable</b>	-	<b>3,300.87</b>	<b>296.48</b>	<b>142.04</b>	<b>6.06</b>	<b>0.54</b>	<b>3,745.99</b>

As at 31 March 2021

Particulars	Outstanding from the date of transaction					Total	
	Unbilled	Less Than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years		More Than 3 Years
<b>Undisputed</b>							
- Considered good	-	2,092.45	204.12	124.95	-	-	2,421.52
- Receivables which have significant increase in Credit Risk	-	0.06	0.33	8.80	11.64	-	20.83
	-	<b>2,092.52</b>	<b>204.45</b>	<b>133.75</b>	<b>11.64</b>	-	<b>2,442.35</b>
Less: Loss Allowance	-	(0.06)	(0.33)	(8.80)	(11.64)	-	(20.83)
<b>Total Trade Receivable</b>	-	<b>2,092.45</b>	<b>204.12</b>	<b>124.95</b>	-	-	<b>2,421.52</b>

16 Cash and cash equivalents

	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Balances with banks:					
On current accounts	370.42	362.90	217.46	439.21	305.89
Fixed deposits with maturity of less than 3 months	106.27	0.88	5.34	1.49	0.02
Cheques/drafts on hand	14.80	-	1.21	0.13	0.26
Cash on hand	27.80	32.47	29.61	24.25	16.97
<b>Total</b>	<b>519.29</b>	<b>396.25</b>	<b>253.62</b>	<b>465.08</b>	<b>323.14</b>

17 Bank balances other than Cash and cash equivalent

	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
In Fixed deposit with maturity for more than 3 months but less than 12 months from balar	784.32	675.60	814.82	588.90	505.10
<b>Total</b>	<b>784.32</b>	<b>675.60</b>	<b>814.82</b>	<b>588.90</b>	<b>505.10</b>

18 Loans

	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
<b>Unsecured, considered good</b>					
Loans to related party (Refer Note 50)	-	-	-	5.20	5.20
Loans to others	1.07	5.91	5.92	5.02	2.32
<b>Total</b>	<b>1.07</b>	<b>5.91</b>	<b>5.92</b>	<b>10.22</b>	<b>7.52</b>

19 Other financial assets

	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Interest accrued on Inter Corporate Deposits (ICD)	0.24	0.15	0.14	0.10	0.15
Interest accrued on Fixed Deposits (FD)	26.91	18.45	13.92	15.27	6.12
Security Deposit	2.23	1.21	-	-	-
<b>Total</b>	<b>29.38</b>	<b>19.81</b>	<b>14.06</b>	<b>15.37</b>	<b>6.27</b>

20 Other current assets

	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Advance to suppliers	54.05	67.18	54.03	80.46	72.92
Balance with government authorities	313.38	266.22	296.44	265.53	230.33
Advance to staff	13.25	12.61	10.06	7.55	8.70
Claim receivables	32.08	36.79	33.88	56.76	26.90
Other current assets	166.90	73.86	106.63	87.43	237.56
Prepaid Expenses	67.68	81.93	77.12	83.90	50.02
<b>Total</b>	<b>647.34</b>	<b>538.59</b>	<b>578.16</b>	<b>581.63</b>	<b>626.43</b>

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**Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)**

**Annexure V - Notes to Restated Consolidated Financial Information**

(₹ in million, unless otherwise stated)

**21 Equity Share capital**

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
<b>a. Authorised Share Capital</b>					
7,45,70,000 (September 2022: 45,70,000; March 2023: 45,70,000; March 2022: 40,00,000; March 2021: 250,000) Equity Shares of INR 10 each	745.70	45.70	45.70	40.00	2.50
<b>Total</b>	<b>745.70</b>	<b>45.70</b>	<b>45.70</b>	<b>40.00</b>	<b>2.50</b>
<b>b. Issued, Subscribed and Paid-up:</b>					
1,60,66,886 (September 2022: 41,11,527; March 2023: 41,11,527; March 2022: 38,50,000; March 2021: 100,200) Equity Shares of INR 10 each	160.67	41.12	41.12	38.50	1.00
<b>Total</b>	<b>160.67</b>	<b>41.12</b>	<b>41.12</b>	<b>38.50</b>	<b>1.00</b>

**c. Reconciliation of equity shares outstanding at the beginning and at the end of the period/year**

Particulars	As at 30 September 2023		As at 30 September 2022		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Outstanding at the beginning of the period/year	41,11,527	41.12	38,50,200	38.50	38,50,200	38.50	1,00,200	1.00	1,00,200	1.00
Add: Issued during the year	-	-	-	-	-	-	37,50,000	37.50	-	-
Add: Allotted during the period pursuant to rights issue	-	-	2,61,327	2.61	2,61,327	2.61	-	-	-	-
Add: Allotted during the period pursuant to conversion of CCPS into Equity	1,19,55,359	119.55	-	-	-	-	-	-	-	-
Outstanding at the end of the period/year	<b>1,60,66,886</b>	<b>160.67</b>	<b>41,11,527</b>	<b>41.12</b>	<b>41,11,527</b>	<b>41.12</b>	<b>38,50,200</b>	<b>38.50</b>	<b>1,00,200</b>	<b>1.00</b>

**d. Rights, preferences and restrictions attached to shares**

The Company has only one class of equity shares having par value of INR 10 per share. Each shareholder is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**e. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of the shareholder	As at 30 September 2023		As at 30 September 2022		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Mr. Prabhat Agrawal	27,41,901	17.07%	27,33,756	66.49%	27,33,756	66.49%	25,60,000	66.49%	60,000	59.90%
Mr. Prem Sethi	13,82,987	8.61%	13,77,557	33.50%	13,77,557	33.50%	12,90,000	33.50%	40,000	39.90%
Orbimed Asia III Mauritius Limited	85,43,305	53.17%	-	-	-	-	-	-	-	-
Prasid Uno Family Trust	29,17,295	18.16%	-	-	-	-	-	-	-	-

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares, except in case of Prasid Uno Family Trust which has declared the beneficial ownership in BEN-1.

**f. Shareholding of Promoters at the end of the period/year**

Name of the Promoter	As at 30 September 2023			As at 30 September 2022			As at 31 March 2023			As at 31 March 2022			As at 31 March 2021		
	No. of Shares	% of Total Shares	% Change During the Period	No. of Shares	% of Total Shares	% Change During the Period	No. of Shares	% of Total Shares	% Change During the Period	No. of Shares	% of Total Shares	% Change During the Period	No. of Shares	% of Total Shares	% Change During the Period
Mr. Prabhat Agrawal	27,41,901	17.07%	0.30%	27,33,756	66.49%	6.79%	27,33,756	66.49%	6.79%	25,60,000	66.49%	4,166.67%	60,000	59.90%	-
Mr. Prem Sethi	13,82,987	8.61%	0.39%	13,77,557	33.50%	6.79%	13,77,557	33.50%	6.79%	12,90,000	33.50%	3,125.00%	40,000	39.90%	-
Orbimed Asia III Mauritius Ltd*	85,43,305	53.17%	7984297.20%	-	-	-	-	-	-	-	-	-	-	-	-

\*during the period ended September 2023, classified as promoter in the Annual Return of FY'23.

**g.** No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of two years immediately preceding the current period end.

**h.** No class of shares have been bought back by the Company during the period of two years immediately preceding the current period end.

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**i. Rights Issue allotment**

For the period ended 30 September, 2023, the Company has not issued and allotted equity shares on Rights Issue basis.

For the period ended 30 September, 2022, the Company has issued and allotted 2,61,327 equity shares on Rights Issue basis.

For the year ended 31 March 2023, the Company has issued and allotted 2,61,327 equity shares of face value INR 10/- each to the eligible equity shareholders at an issue price of INR 10/- per Equity Share aggregating to INR 2.61 millions.

**j. Private Placement allotment**

During the period ended September 30 2023 (30 September 2022: Nil) the Company has not issued and allotted equity shares on private placement basis.

During the year ended 31 March 2022, the Company has issued and allotted 37,50,000 equity shares of face value INR 10/- each to the eligible equity shareholders at an issue price of INR 10/- per Equity Share aggregating to INR 37.50 million.

**k. Conversion of CCPS into Equity Shares**

For the period ended 30 September 2023, the Company has allotted 1,19,55,359 equity shares of face value INR 10 each upon conversion of CCPS into equity shares in the ration of 1:1.

**22 Instruments entirely equity in nature**

**Preference share capital**

**Particulars**

**a. Authorised Share Capital**

**0.0001% Compulsory Convertible Preference shares (CCPS)**

56,58,47,000 Series A1 CCPS (September 2022: 56,58,47,000; March 2023: 56,58,47,000; March 2022: 49,54,99,900; March 2021: 39,54,99,900) of INR 10 each  
19,35,64,100 Series A2 CCPS (September 2022: 19,35,64,100; March 2023: 19,35,64,100; March 2022: 16,94,99,900; March 2021 : 16,94,99,900) of INR 10 each  
39,96,900 Series A3 CCPS (September 2022: 39,96,900 March 2023: 39,96,900 March 2022: 35,00,000 and March 2021 : 29,00,000 ) of INR 10 each  
3,63,72,000 Series A4 CCPS (September 2022: 3,63,72,000 March 2023:3,63,72,000 March 2022: 3,18,50,200 and March 2021: 3,18,50,200) of INR 10 each  
10,00,00,000 Series A5CCPS (September 22: Nil) of INR 10 each

**Total**

	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
	5,658.47	5,658.47	5,658.47	4,955.00	3,955.00
	1,935.64	1,935.64	1,935.64	1,695.00	1,695.00
	39.97	39.97	39.97	35.00	29.00
	363.72	363.72	363.72	318.50	318.50
	1,000.00	-	-	-	-
<b>Total</b>	<b>8,997.80</b>	<b>7,997.80</b>	<b>7,997.80</b>	<b>7,003.50</b>	<b>5,997.50</b>

**b. Issued, Subscribed and Paid-up:**

**0.0001% Compulsory Convertible Preference shares (CCPS)**

46,43,56,702 Series A1 CCPS (September 2022: 47,19,99,900 March 2023: 47,19,99,900 March 22 : 44,19,99,900 ; March 21 : 36,89,99,900) of INR 10 each  
15,82,53,439 Series A2 CCPS (September 2022: 16,11,70,627 March 2023: 16,11,70,627 March 22 : 15,09,26,729 ; March 21 : 12,59,99,900 ) of INR 10 each  
30,96,833 Series A3 CCPS (September 2022: 30,96,833; March 2023: 30,96,833; March 22 : 29,00,000 ; March 21 : 29,00,000) of INR 10 each  
2,68,51,617 Series A4 CCPS (September 22 : 2,42,36,590; March 23: 2,73,46,590; March 22 : 2,31,63,347 ; March 21 : 1,92,12,500) of INR 10 each  
5,09,84,559 Series A5 CCPS (Sept 22 : Nil) of INR 10 each

**Total**

	4,634.57	4,720.00	4,720.00	4,420.00	3,690.00
	1,582.53	1,611.71	1,611.71	1,509.27	1,260.00
	30.97	30.97	30.97	29.00	29.00
	268.52	242.37	273.47	231.63	192.12
	509.84	-	-	-	-
<b>Total</b>	<b>7,026.43</b>	<b>6,605.04</b>	<b>6,636.14</b>	<b>6,189.90</b>	<b>5,171.12</b>

**c. Reconciliation of preference shares outstanding at the beginning and at the end of the period/year**

**Particulars**

Outstanding at the beginning of the period/year

Add: Issued during the period/year

Less: Conversion of CCPS into Equity during the period/year

**Outstanding at the end of the period/year**

Particulars	As at 30 September 2023		As at 30 September 2022		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Outstanding at the beginning of the period/year	66,36,13,950	6,636.14	61,89,89,976	6,189.90	61,89,89,976	6,189.90	51,71,12,300	5,171.12	43,87,12,300	4,387.12
Add: Issued during the period/year	5,09,84,559	509.84	4,15,13,974	415.14	4,46,23,974	446.24	10,18,77,676	1,018.78	7,84,00,000	784.00
Less: Conversion of CCPS into Equity during the period/year	(1,19,55,359)	-119.55	-	-	-	-	-	-	-	-
<b>Outstanding at the end of the period/year</b>	<b>70,26,43,150</b>	<b>7,026.43</b>	<b>66,05,03,950</b>	<b>6,605.04</b>	<b>66,36,13,950</b>	<b>6,636.14</b>	<b>61,89,89,976</b>	<b>6,189.90</b>	<b>51,71,12,300</b>	<b>5,171.12</b>

**d. Rights, preferences and restrictions attached to shares**

0.0001% Compulsory Convertible Preference shares (CCPS)

**Terms of Conversion :**

(a) The holders of the CCPS may convert the CCPS in whole or part into 1 (one) equity share at any time before the expiry of 19 (nineteen) years from the date of issuance of the same subject to the adjustments as mentioned in Articles of Association, and the provisions of the shareholders' agreement. In the event the conversion of CCPS entitles the holder of CCPS to any fraction of an equity share, then such fraction shall be rounded up to the nearest whole number.

(b) The holders of CCPS shall, at any time prior to 19 (nineteen) years from the date of issuance of the same, be entitled to call upon the Company to convert all or any of the CCPS. The CCPS, or any of them, if not converted earlier, shall automatically convert into equity shares at the then applicable conversion rate.

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(₹ in million, unless otherwise stated)

**Senior Rights:** The holders of A1 CCPS, A2 CCPS and A3 CCPS shall rank senior to Series A4 CCPS and all other preference shares and other instruments that are outstanding and which may be issued by the Company from time to time.

**Meeting and voting rights:** The holders of CCPS shall be entitled to attend meetings of all Shareholders of the Company and, will be entitled to such voting rights on an as if converted basis, as may be permissible under applicable law. Accordingly, but subject to adjustments as set forth herein, the holders of CCPS shall be entitled to the same number of votes for each CCPS as a holder of 1 (one) equity share would have on each equity share held, provided however that in the event of any adjustment in conversion the number of votes associated with each CCPS will change accordingly. The holders of CCPS shall be entitled to vote on all such matters which affect their rights directly or indirectly.

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(₹ in million, unless otherwise stated)

**e. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of the shareholder	As at 30 September 2023		As at 30 September 2022		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	No of shares	%	No of shares	%	No of shares	%	No of shares	%	No of shares	%
Series A1 CCPS are issued to Orbimed Asia III Mauritius Limited	46,34,56,702	100.00%	47,19,99,900	100.00%	47,19,99,900	100.00%	44,19,99,900	100.00%	36,89,99,900	100.00%
Series A2 CCPS are issued to Prasad Uno Family Trust	15,82,53,439	100.00%	-	0.00%	16,11,70,627	100.00%	15,09,26,729	100.00%	12,59,99,900	100.00%
Series A2 CCPS are issued to IM Investments Trust	-	0.00%	16,11,70,627	100.00%	-	-	-	-	-	-
Series A3 CCPS are issued to Mr. Prabhat Agrawal	18,58,100	60.00%	18,58,100	60.00%	18,58,100	60.00%	17,40,000	60.00%	17,40,000	60.00%
Series A3 CCPS are issued to Mr. Prem Sethi	12,38,733	40.00%	12,38,733	40.00%	12,38,733	40.00%	11,60,000	40.00%	11,60,000	40.00%
Series A4 CCPS are issued to Novacare Drug Specialities Private Limited	60,28,706	22.45%	61,39,837	25.33%	61,39,837	22.45%	57,49,593	24.82%	48,00,000	24.98%
Series A4 CCPS are issued to K E Prakash	52,92,681	19.71%	53,90,244	22.24%	53,90,244	19.71%	53,90,244	23.27%	45,00,000	23.42%
Series A4 CCPS are issued to Mr. Petros Diamantides	21,49,940	8.01%	21,89,571	9.03%	21,89,571	8.01%	20,51,287	8.86%	17,12,500	8.91%
Series A4 CCPS are issued to Prashanth Ravindrakumar	18,83,970	7.02%	19,18,699	7.92%	19,18,699	7.02%	17,96,748	7.76%	15,00,000	7.81%
Series A4 CCPS are issued to Manoj K Sanghani	17,26,973	6.43%	17,58,808	7.26%	17,58,808	6.43%	16,47,019	7.11%	13,75,000	7.16%
Series A4 CCPS are issued to Vikram Aditya Ambre	17,26,973	6.43%	17,58,808	7.26%	17,58,808	6.43%	16,47,019	7.11%	13,75,000	7.16%
Series A4 CCPS are issued to Hemant Barros	11,76,151	4.38%	11,97,832	4.94%	11,97,832	4.38%	11,97,832	5.17%	10,00,000	5.20%
Series A4 CCPS are issued to Millennium Medicare Private Limited	12,55,981	4.68%	12,79,133	5.28%	12,79,133	4.68%	11,97,832	5.17%	10,00,000	5.20%
Series A5 CCPS are issued to Orbimed Asia III Mauritius Limited	3,53,43,867	69.32%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Series A5 CCPS are issued to Prasad Uno Family Trust	1,20,68,638	23.67%	-	0.00%	-	0.00%	-	0.00%	-	0.00%

**f. Shareholding of Promoters at the end of the year**

Name of the Promoter	As at 30 September 2023			As at 30 September 2022			As at 31 March 2023			As at 31 March 2022			As at 31 March 2021		
	No. of Share	% of Total Shares	% Change During the Period	No. of Share	% of Total Shares	% Change During the Period	No. of Share	% of Total Shares	% Change During the Period	No. of Share	% of Total Shares	% Change During the Period	No. of Share	% of Total Shares	% Change During the Period
<b>Series A1 CCPS</b>															
Orbimed Asia III Mauritius Limited*	46,34,56,702	100.00%	-1.81%	47,19,99,900	100.00%	6.79%	-	-	-	-	-	-	-	-	-
<b>Series A3 CCPS</b>															
Mr. Prabhat Agrawal	18,58,100	60.00%	0.00%	18,58,100	60.00%	6.79%	18,58,100	60.00%	6.79%	17,40,000	60.00%	-	17,40,000	60.00%	-
Mr. Prem Sethi	12,38,733	40.00%	0.00%	12,38,733	40.00%	6.79%	12,38,733	40.00%	6.79%	11,60,000	40.00%	-	11,60,000	40.00%	-
<b>Series A4 CCPS</b>															
Mr. Prabhat Agrawal	4,41,855	1.65%	10.46%	-	-	-	4,00,000	1.46%	100%	-	-	-	-	-	-
Mr. Prem Sethi	2,94,570	1.10%	-1.81%	-	-	-	3,00,000	1.10%	100%	-	-	-	-	-	-
<b>Series A5 CCPS</b>															
Orbimed Asia III Mauritius Limited*	3,53,43,867	69.32%	100.00%	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Prabhat Agrawal	3,77,540	0.74%	100.00%	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Prem Sethi	2,18,375	0.43%	100.00%	-	-	-	-	-	-	-	-	-	-	-	-

\*during the period ended September 2023, classified as promoter in the Annual Return of FY'23.

**h. Private Placement allotment**

For the period ended 30 September, 2023 (30 September 2022: Nil) the Company has not issued and allotted preference shares on Private Placement Basis.

For the year ended 31 March 2022, the Company has issued and allotted 1,50,000 preference shares (Series A4 CCPS) of face value INR 10/- each to the eligible preference shareholders at an issue price of INR 10/- per preference share aggregating to INR 1.5 million.

**i. Rights Issue**

For the period ended 30 September, 2023, the Company has issued and allotted 5,09,84,559 preference shares (Series A5 CCPS) of face value INR 10 each to the eligible preference shareholders at an issue price of INR 10 per preference share aggregating to INR 509.85 million.

During the period ended 30 September, 2022, the Company has issued and allotted 4,15,13,974 preference shares ( Series A1 CCPS: 3,00,00,000, Series A2 CCPS: 1,02,43,898, Series A3 CCPS: 1,96,833 Series A4 CCPS: 10,73,243) of face value INR 10 each to the eligible preference shareholders at an issue price of INR 10 per preference share aggregating to INR 415.14 million.

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(₹ in million, unless otherwise stated)

For the year ended 31 March 2023, the Company has issued and allotted 4,46,23,974 preference shares (Series A1 CCPS: 3,00,00,000, Series A2 CCPS: 1,02,43,898, Series A3 CCPS: 1,96,833 Series A4 CCPS: 41,83,243) of face value INR 10/- each to the eligible preference shareholders at an issue price of INR 10/- per preference share aggregating to INR 446.24 million.

For the year ended 31 March 2022, the Company has issued and allotted 10,17,27,676 preference shares (Series A1 CCPS: 7,30,00,000, Series A2 CCPS: 2,49,26,829, Series A4 CCPS: 38,00,847) of face value INR 10/- each to the eligible preference shareholders at an issue price of INR 10 per preference share aggregating to INR 1,017.28 million.

For the year ended 31 March 2021, the Company has issued and allotted 7,84,00,000 preference shares (Series A1 CCPS: 7,50,00,000, Series A4 CCPS: 34,00,000) of face value INR 10/- each to the eligible preference shareholders at an issue price of INR 10 per preference share aggregating to INR 784 million.

**23 Other equity**

**Particulars**

**Retained Earnings**

	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Opening balance	(726.99)	(617.99)	(617.99)	(318.46)	(161.29)
Add: Restated Profit for the period/year	113.65	(111.53)	(115.57)	(299.20)	(155.37)
Add: Re-measurement loss on post employment benefit obligation (net of tax)	0.55	5.28	6.57	(0.33)	(1.80)
<b>Closing balance</b>	<b>(612.79)</b>	<b>(724.24)</b>	<b>(726.99)</b>	<b>(617.99)</b>	<b>(318.46)</b>

**Employee Stock option reserve**

Opening balance	-	-	-	-	-
Add: Employee stock option expense during the period	2.04	-	-	-	-
<b>Closing balance</b>	<b>2.04</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

ESOP recognises the fair value of options as at the grant date spread over the vesting period. (Refer note 55)

**Total Other Equity**

<b>(610.75)</b>	<b>(724.24)</b>	<b>(726.99)</b>	<b>(617.99)</b>	<b>(318.46)</b>
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**24 Non Controlling Interest**

**Particulars**

	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Opening balance	26.34	21.76	21.75	16.94	15.16
Add: Restated Profit for the period/year	2.77	2.96	4.53	4.81	1.83
Add: Re-measurement loss on post employment benefit obligation (net of tax)	0.02	0.05	0.06	-	(0.05)
<b>Closing balance</b>	<b>29.13</b>	<b>24.77</b>	<b>26.34</b>	<b>21.75</b>	<b>16.94</b>

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(₹ in million, unless otherwise stated)

25 Lease Liabilities	As at 30 September 2023		As at 30 September 2022		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current
<b>At amortised cost (refer Note 41)</b>										
Lease Liabilities	462.85	125.26	499.76	162.47	499.68	134.76	576.86	119.17	532.32	79.90
<b>Total</b>	<b>462.85</b>	<b>125.26</b>	<b>499.76</b>	<b>162.47</b>	<b>499.68</b>	<b>134.76</b>	<b>576.86</b>	<b>119.17</b>	<b>532.32</b>	<b>79.90</b>
26 Provisions	As at 30 September 2023		As at 30 September 2022		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current
a) <b>Provision for employee benefits (Refer note 49)</b>										
Provision for gratuity (unfunded)	63.12	10.39	46.60	7.27	54.03	8.60	44.32	7.00	27.45	6.86
Provision for leave encashment (unfunded)	-	15.53	-	13.11	-	12.56	-	13.87	-	6.89
	<b>63.12</b>	<b>25.92</b>	<b>46.60</b>	<b>20.38</b>	<b>54.03</b>	<b>21.16</b>	<b>44.32</b>	<b>20.87</b>	<b>27.45</b>	<b>13.75</b>
b) <b>Other provisions</b>										
Provision for sales return	-	4.74	-	19.63	-	25.31	-	58.72	-	181.10
<b>Total Provisions</b>	<b>63.12</b>	<b>30.66</b>	<b>46.60</b>	<b>40.01</b>	<b>54.03</b>	<b>46.47</b>	<b>44.32</b>	<b>79.59</b>	<b>27.45</b>	<b>194.85</b>
27 Borrowings	As at 30 September 2023		As at 30 September 2022		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current
1) Non convertible debenture (Secured)	898.09	-	-	-	-	-	-	-	-	-
2) Term Loan (Secured): (Rate of interest 12.00% to 13.50% p.a.)	236.66	427.50	-	1,503.53	310.67	1,022.47	371.26	659.01	-	-
3) Working capital loan (Secured): Cash credit	-	3,292.15	-	2,141.51	-	2,338.91	-	1,810.65	-	1,408.53
4) Other Loans & Advances (Unsecured) Loans and advances from Others (Rate of interest: 0% to 13% p.a.)	-	32.36	-	30.03	-	63.10	-	9.36	-	8.50
<b>Total Borrowings</b>	<b>1,134.75</b>	<b>3,752.01</b>	<b>-</b>	<b>3,675.07</b>	<b>310.67</b>	<b>3,424.48</b>	<b>371.26</b>	<b>2,479.02</b>	<b>-</b>	<b>1,417.03</b>

**Term Loans:**

(a) 4,500 secured, unlisted, redeemable, non-convertible debentures of face value of Rs. 1,00,000/- (Indian Rupees One Lakh Only) each ("NCDs") aggregating for an amount of Rs. 45,00,00,000/- (Indian Rupees Forty-Five Crores Only) are secured by first ranking and exclusive charge by way of pledge over shares held by the Company constituting approximately 100% of the share capital (on a fully diluted basis) of the entities identified i.e Saurashtra Medisolutions Private Limited, S.S. Pharma Traders Private Limited, SVS Lifesciences Private Limited; a first ranking and pari passu charge by way of hypothecation, over all, both present and future, of the movable assets, current assets, accounts, insurance policies, receivables and any amount owed from any source or person, all other assets held by the Company from time to time as more particularly described in detail in the relevant Transaction Documents; and cash coupon rate is 12% pa payable monthly commencing from April 06, 2023 (Date of Allotment) and 50% each at the end of 30 Months and 36 Months respectively shall be redeemed from the date of allotment.

(b) 4,500 secured, unlisted, redeemable, non-convertible debentures of face value of Rs. 1,00,000/- (Indian Rupees One Lakh Only) each ("NCDs") aggregating for an amount of Rs. 45,00,00,000/- (Indian Rupees Forty-Five Crores Only) are secured by first ranking and exclusive charge by way of pledge over shares held by the Company constituting approximately 100% of the share capital (on a fully diluted basis) of the entities identified i.e Atreja Healthcare Solutions Private Limited, City Pharma Distributors Private Limited, Swami Medisolutions Private Limited; a first ranking and pari passu charge by way of hypothecation, over all, both present and future, of the movable assets, current assets, accounts, insurance policies, receivables and any amount owed from any source or person, all other assets held by the Company from time to time as more particularly described in detail in the relevant Transaction Documents; and cash coupon rate is 8% pa payable monthly commencing from June 30, 2023 (Date of Allotment) and 50% each at the end of 30 Months and 36 Months respectively shall be redeemed from the date of allotment.

(c) The Term loans included in the current borrowings of the Company are secured against the first charge on all current assets, movable fixed assets and Cash collateral ranging from 0.00% - 20.00% (September 2022: 0.00% - 20.00%; March 2023: 0.00% - 20.00%; March 2022: 0.00% - 20.00% and March 2021: Nil) in the form of a lien marked fixed deposit placed in a bank. These loans carries interest from 12.00% to 14.00% p.a. and are repayable within one year and hence classified as current as on the reporting date.

(d) The Term loans included in the non-current borrowings of the Company are secured against the first charge on all current assets, movable fixed assets and Cash collateral ranging from 10.00% - 20.00% (September 2022: 0.00% - 20.00%; March 2023: 0.00% - 20.00%; March 2022: 0.00% - 20.00% and March 2021: Nil) in the form of a lien marked fixed deposit placed in a bank. These loans carries interest from 11.25% to 14.00% p.a. and are repayable beyond one year and hence classified as non-current as on the reporting date.

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**Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)**

**Annexure V - Notes to Restated Consolidated Financial Information**

(₹ in million, unless otherwise stated)

The details of securities pledged by the Group are as follows:

Name of Lender	Nature of Loan	Amount of loan in INR million	Name of subsidiaries	Relation	Details of Security Pledge
Hero Fincorp Limited (as at 30 September 2022)	Term Loan	450.00	1. Saurashtra Medisolutions Private Limited	Subsidiary	Shares
			2. SVS Lifesciences Private Limited		
			3. SS Pharma Traders Private Limited		
Patni Financial Advisors Private Limited (as at 30 September 2023)	Term Loan	350.00	1. Calcutta Medisolutions Private Limited	Subsidiary	Shares
			2. Sree Venkateshwara Medisolutions Private Limited		
True North Credit Opportunities Fund I (as at 30 September 2023)	Non convertible debenture	450.00	1. Saurashtra Medisolutions Private Limited	Subsidiary	Shares
			2. SVS Lifescience Private Limited		
			3. S.S. Pharma Traders Private Limited		
True North Credit Opportunities Fund I and Incred Alternative Opportunities Trust- Incred Credit Opportunities Fund - I (as at 30 September 2023)	Non convertible debenture	450.00	1. Atreja Healthcare Solutions Private Limited	Subsidiary	Shares
			2. City Pharma Distributors Private Limited		
			3. Swami Medisolutions Private Limited		
Vivriti Capital Limited (as at 30 September 2023)	Term Loan and WCDL	500.00	1. New RRPD Private Limited	Subsidiary	Shares
			2. New Siva Agencies Private Limited		

**Cash credit/ WCDL:**

Outstanding cash credit facility of INR 3,292.15 million (September 23: 2,141.51 million; March 23: 2,338.91 million; March 22: 1,810.65 million and March 21: INR 1,408.53 million are secured against 25% margin on inventories and trade receivables in addition to fixed deposit to the extent of 20% of the facility amount & pari passu charge on entire current assets of borrower, present and future.

(Facility amount INR 3,797.00 million; Rate of interest: Bank 1 year MCLR + 25 - 190 basis points; Effective interest rate for the period : 10.00 % p.a. to 13.50 % p.a.)

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Details of Guarantees given by holding Company	Name of Subsidiary	As at	As at	As at	As at	As at
		30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Corporate Guarantees Given	Novacare Healthcare Solutions Private Limited	560.00	500.00	500.00	500.00	500.00
	Getwell Medicare Solution Private Limited	250.00	150.00	250.00	150.00	150.00
	Avenues Pharma Distributors Private Limited	350.00	350.00	350.00	350.00	300.00
	Chethana Healthcare Solutions Private Limited	50.00	50.00	50.00	50.00	50.00
	Chirag Medicare Solutions Private Limited	150.00	150.00	150.00	150.00	150.00
	R S M Pharma Private Limited	250.00	250.00	250.00	250.00	150.00
	G.S. Pharmaceutical Distributors Private Limited	140.00	80.00	120.00	80.00	80.00
	Chhabra Healthcare Solutions Private Limited	100.00	50.00	50.00	50.00	50.00
	Sundarlal Pharma Distributors Private Limited	-	70.00	70.00	70.00	70.00
	Galaxystar Pharma Distributors Private Limited	180.00	150.00	150.00	150.00	100.00
	SVMED Solutions Private Limited	100.00	150.00	150.00	150.00	-
	Vasavi Medicare Solutions Private Limited	75.00	150.00	150.00	150.00	-
	Rada Medisolutions Private Limited	100.00	-	100.00	-	-
	Barros Enterprises Private Limited	67.00	67.00	67.00	67.00	-
	Sesha Balajee Medisolutions Private Ltd	75.00	150.00	150.00	150.00	-
	Jaggi Enterprises Private Limited	120.00	120.00	120.00	120.00	100.00
	Western Healthcare Solutions Private Limited	100.00	80.00	80.00	80.00	-
	Chethana Pharma Private Limited	150.00	150.00	150.00	150.00	150.00
	Sri Rama Pharmaceutical Distributors Private Limited	320.00	226.62	158.64	226.62	-
	Sri Parshva Pharma Distributors private limited	400.00	326.91	228.84	303.64	-
	Millennium Medisolutions Private Limited	170.00	150.00	150.00	150.00	100.00
	Curever Pharma Private Limited	-	200.00	-	200.00	-
	New RRPD Private Limited	50.00	-	-	-	-
	New Siva Agencies Private Limited	50.00	-	-	-	-
	Saurashtra Medisolutions Private Limited	40.00	-	-	-	-
	SVS Lifesciences Private Limited	40.00	-	-	-	-
	S.S. Pharma Traders Private Limited	70.00	-	-	-	-

28 Trade payables

Particulars

Total outstanding dues of micro enterprises and small enterprises  
Total outstanding dues of creditors other than micro enterprises and small enterprises  
Total trade payables

	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Total outstanding dues of micro enterprises and small enterprises	30.31	29.88	44.01	23.42	10.70
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,218.33	1,553.67	2,060.99	1,374.37	956.70
<b>Total trade payables</b>	<b>2,248.64</b>	<b>1,583.55</b>	<b>2,105.00</b>	<b>1,397.79</b>	<b>967.40</b>

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Group:

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
(a) Amount remaining unpaid to any supplier at the end of each accounting year:					
Principal	30.31	29.88	44.01	23.42	10.70
<b>Total</b>	<b>30.31</b>	<b>29.88</b>	<b>44.01</b>	<b>23.42</b>	<b>10.70</b>
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-	-	-
(c) 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 the year) but without adding the interest specified under the MSMED Act.	-	-	-	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-	-	-	-

The above information has been provided as available with the group to the extent such parties could be identified on the basis of the information with the Company regarding the status of the suppliers under the MSMED Act.

As at 30 September 2023

Particulars	Outstanding for following years from the date of transaction				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	30.31	-	-	-	30.31
Disputed Dues - MSME	-	-	-	-	-
Other	2,205.22	9.89	1.38	1.84	2,218.33
Disputed Dues - Others	-	-	-	-	-

As at 30 September 2022

Particulars	Outstanding for following years from the date of transaction				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	29.88	-	-	-	29.88
Disputed Dues - MSME	-	-	-	-	-
Other	1,514.39	35.80	3.48	-	1,553.67
Disputed Dues - Others	-	-	-	-	-

As at 31 March 2023

Particulars	Outstanding for following years from the date of transaction				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	44.01	-	-	-	44.01
Disputed Dues - MSME	-	-	-	-	-
Other	2,052.27	7.46	0.36	0.90	2,060.99
Disputed Dues - Others	-	-	-	-	-

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As at 31 March 2022

Particulars	Outstanding for following years from the date of transaction				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	23.42	-	-	-	23.42
Disputed Dues - MSME	-	-	-	-	-
Other	1,359.54	10.70	4.13	-	1,374.37
Disputed Dues - Others	-	-	-	-	-

As at 31 March 2021

Particulars	Outstanding for following years from the date of transaction				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	10.70	-	-	-	10.70
Disputed Dues - MSME	-	-	-	-	-
Other	952.98	3.72	-	-	956.70
Disputed Dues - Others	-	-	-	-	-

29 Other financial liabilities

	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Employee liabilities	94.94	108.31	104.23	97.14	74.14
Current maturities of long term debt	8.00	-	8.00	-	0.20
Other Financial Liabilities	290.57	249.63	190.93	312.00	31.92
Interest accrued and due on borrowings	3.48	7.03	6.32	1.41	1.90
<b>Total other financial liabilities</b>	<b>396.99</b>	<b>364.97</b>	<b>309.48</b>	<b>410.55</b>	<b>108.16</b>

30 Other current liabilities

	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Statutory dues payable	60.12	35.47	97.94	54.39	34.34
Other current liabilities	1.76	0.77	3.02	-	0.07
Other Payables	126.23	149.25	82.27	64.92	42.62
Advance from Customers	-	-	18.32	0.03	39.50
<b>Total other current liabilities</b>	<b>188.11</b>	<b>185.49</b>	<b>201.55</b>	<b>119.34</b>	<b>116.53</b>

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Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

	For the period ended 30 September 2023	For the period ended 30 September 2022	For the Year ended 31 March 2023	For the Year ended 31 March 2022	For the Year ended 31 March 2021
<b>31 Revenue from operations</b>					
Sale of Traded goods	18,811.32	15,812.01	32,931.43	25,152.67	17,731.04
Other Operative Revenue	143.69	27.67	70.64	67.98	66.33
<b>Total revenue from operations</b>	<b>18,955.01</b>	<b>15,839.68</b>	<b>33,002.07</b>	<b>25,220.65</b>	<b>17,797.37</b>
<b>Revenue based on timing of recognition</b>					
Revenue recognition at a point in time	18,955.01	15,839.68	33,002.07	25,220.65	17,797.37
Revenue recognition over period of time	-	-	-	-	-
<b>Total Revenue from operations</b>	<b>18,955.01</b>	<b>15,839.68</b>	<b>33,002.07</b>	<b>25,220.65</b>	<b>17,797.37</b>
<b>32 Other income</b>					
Interest income					
- on fixed deposits designated as amortized cost	28.35	12.46	33.99	28.52	22.24
- on intercorporate deposit	0.05	0.05	0.09	0.12	0.17
- Other interest income	0.14	0.17	2.11	1.92	4.03
- Interest on unwinding of security deposits	2.30	2.29	4.71	3.83	2.99
Net gain or loss on foreign currency transaction and translation	-	-	0.15	1.58	3.83
Miscellaneous income	3.92	9.74	14.09	8.86	6.05
<b>Total other income</b>	<b>34.76</b>	<b>24.71</b>	<b>55.14</b>	<b>44.83</b>	<b>39.31</b>
<b>33 Purchase of Stock-in-trade</b>					
Purchases of Stock-in-trade	17,600.30	14,585.35	30,512.60	23,424.71	16,851.90
<b>Total Purchase of Stock-in-trade</b>	<b>17,600.30</b>	<b>14,585.35</b>	<b>30,512.60</b>	<b>23,424.71</b>	<b>16,851.90</b>
<b>34 Changes in inventories of stock-in-trade</b>					
<b>Inventories at the beginning of the year</b>					
- Stock in trade	3,416.28	3,101.64	3,101.64	2,439.26	1,954.97
	<b>3,416.28</b>	<b>3,101.64</b>	<b>3,101.64</b>	<b>2,439.26</b>	<b>1,954.97</b>
Inventories as at the date of acquisition of subsidiary / business	121.50	120.69	120.69	362.04	13.79
<b>Less: Inventories at the end of the year</b>					
- Stock in trade	3,874.64	3,254.77	3,416.28	3,101.64	2,439.26
	<b>3,874.64</b>	<b>3,254.77</b>	<b>3,416.28</b>	<b>3,101.64</b>	<b>2,439.26</b>
<b>Net increase in inventories</b>	<b>(336.86)</b>	<b>(32.44)</b>	<b>(193.95)</b>	<b>(300.34)</b>	<b>(470.50)</b>
<b>35 Employee benefits expense</b>					
Salaries, wages, bonus and other allowances	664.68	598.53	1,160.00	1,043.41	689.35
Contribution to Provident Fund and other funds	35.31	31.11	63.85	51.53	37.20
Gratuity expenses	11.95	9.99	21.13	17.35	8.25
Leave Obligation (Refer Note 49)	3.75	2.98	3.80	7.42	4.84
Staff welfare expenses	15.53	14.06	32.62	28.35	19.78
Employee stock option expenses	2.04	-	-	-	-
<b>Total employee benefits expense</b>	<b>733.26</b>	<b>656.67</b>	<b>1,281.40</b>	<b>1,148.06</b>	<b>759.42</b>
<b>36 Finance costs</b>					
Interest Expenses					
On loan from bank and financial institute	218.19	171.81	376.98	197.05	104.04
On Loan from Others	0.61	0.60	1.20	0.96	0.96
On non convertible debenture	48.56	-	-	-	-
On delay in payment of taxes	0.13	0.03	0.45	1.30	0.19
On Lease Liabilities	29.19	33.26	65.37	61.64	58.61
Processing Charges	11.49	14.39	22.88	9.95	7.91
Bank charges	14.74	10.18	22.84	18.77	16.68
Others	-	-	-	0.11	11.99
<b>Total finance costs</b>	<b>322.91</b>	<b>230.27</b>	<b>489.72</b>	<b>289.78</b>	<b>200.38</b>

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

37 Depreciation and amortization expense

	For the period ended 30 September 2023	For the period ended 30 September 2022	For the Year ended 31 March 2023	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Depreciation on Property, plant and Equipment (Refer note 5)	41.91	41.90	89.52	72.00	60.53
Depreciation on ROU assets (Refer note 5)	74.23	71.67	146.31	120.33	100.36
Amortization on Intangible Assets (Refer note 7)	2.65	2.70	6.54	5.21	1.87
<b>Total depreciation and amortization expense</b>	<b>118.79</b>	<b>116.27</b>	<b>242.37</b>	<b>197.54</b>	<b>162.76</b>

38 Other expenses

	For the period ended 30 September 2023	For the period ended 30 September 2022	For the Year ended 31 March 2023	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Rent	9.72	7.38	16.65	14.73	19.60
Rates and taxes	1.11	1.01	2.08	3.21	2.83
Legal and professional charges	37.63	55.20	70.81	102.48	68.45
Travelling expenses	34.63	37.50	62.89	54.98	32.07
Power and fuel	28.01	25.91	42.51	40.69	33.89
Repairs and maintenance	17.35	15.09	29.09	19.01	16.78
Distribution Cost	120.69	104.08	206.97	177.64	114.48
Outsource Servicing Expenses	6.15	5.97	12.59	12.18	12.31
Printing and stationery	18.18	14.14	30.83	24.15	16.83
Commission & Brokerage Expenses	16.49	16.50	23.90	11.49	15.59
Communication expenses	9.49	8.24	15.27	13.84	8.75
Business promotion expenses	22.05	27.96	65.88	70.98	17.73
Provision for impairment loss	27.40	3.29	53.79	62.50	14.05
IT Expenses	5.83	7.31	11.10	10.36	6.13
Subscription Expenses	1.20	2.53	4.14	2.36	1.26
Office Expenses	5.89	2.49	11.92	2.13	1.01
Auditor's remuneration (Refer note below)	-	-	9.93	7.71	6.44
Security expenses	0.44	0.40	0.81	0.78	0.73
Housekeeping Expenses	2.32	2.10	4.18	2.45	1.29
Sign on Amount	9.00	9.02	18.00	16.33	6.00
Office Aircon Charges	0.48	0.46	0.96	0.61	0.45
Insurance	7.47	7.31	12.12	13.39	7.77
Miscellaneous expenses	33.12	25.92	55.53	39.84	36.66
<b>Total Other expenses</b>	<b>414.65</b>	<b>379.81</b>	<b>761.95</b>	<b>703.84</b>	<b>441.10</b>

39 Income Tax

	For the period ended 30 September 2023	For the period ended 30 September 2022	For the Year ended 31 March 2023	For the Year ended 31 March 2022	For the Year ended 31 March 2021
<b>Current tax</b>					
Current tax on profits for the period/year	66.93	47.21	99.65	98.43	45.59
Adjustments for current tax of prior period/years	-	-	-	0.21	1.25
<b>Total Current tax</b>	<b>66.93</b>	<b>47.21</b>	<b>99.65</b>	<b>98.64</b>	<b>46.84</b>
<b>Deferred tax</b>					
Deferred tax Income	(46.63)	(10.18)	(25.49)	(2.36)	(1.68)
<b>Total tax expense</b>	<b>20.30</b>	<b>37.03</b>	<b>74.16</b>	<b>96.28</b>	<b>45.16</b>

40 Earnings per share

	For the period ended 30 September 2023	For the period ended 30 September 2022	For the Year ended 31 March 2023	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Restated Profit attributable to the equity holders of the Company (A) (INR)	113.65	(111.53)	(115.57)	(299.20)	(155.37)
Weighted Average number of shares issued for Basic EPS (B)	3,85,90,964	3,66,48,381	3,73,24,429	3,24,43,281	2,93,48,838
Adjustment for calculation of Diluted EPS (C)	-	-	-	-	-
Weighted Average number of shares issued for Diluted EPS (D= B+C)	3,85,90,964	3,66,48,381	3,73,24,429	3,24,43,281	2,93,48,838
<b>Basic EPS in INR</b>	<b>2.95</b>	<b>(3.04)</b>	<b>(3.10)</b>	<b>(9.22)</b>	<b>(5.29)</b>
<b>Diluted EPS in INR</b>	<b>2.95</b>	<b>(3.04)</b>	<b>(3.10)</b>	<b>(9.22)</b>	<b>(5.29)</b>

The Company shall undertake conversion of the outstanding CCPS into Equity Shares prior to filing of the Red Herring Prospectus. The conversion of such CCPS into Equity Shares shall depend on certain assumptions and variable factors based on the formula prescribed in the Shareholders Agreement. We have accordingly considered the maximum number of Equity Shares that such outstanding CCPS may be converted into, i.e. 3,95,77,705 shares at 30 September 2023, 3,79,00,267 shares at 30 September 2022, 3,80,48,168 shares at 31 March 2023, 3,62,39,408 shares at 31 March 2022 and 2,94,88,773 shares at 31 March 2021, pursuant to application of such conversion formula. The actual number of Equity Shares which may arise out of conversion of CCPS may vary.

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

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(₹ in million, unless otherwise stated)

41 Disclosure related to Leases

Group as Lessee

(A) Carrying value of right of use assets at the end of the year

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	536.85	616.60	616.60	558.77	553.72
Additions	39.42	58.60	102.21	183.67	105.41
Deletion	(18.26)	(26.85)	(35.65)	(5.51)	-
Depreciation charge for the year	(74.23)	(71.67)	(146.31)	(120.33)	(100.36)
<b>Balance at the end of the year</b>	<b>483.77</b>	<b>576.69</b>	<b>536.85</b>	<b>616.60</b>	<b>558.77</b>

(B) Carrying value of lease liability at the end of the year

Balance at the beginning of the year	634.44	696.03	696.03	612.22	575.76
Additions	39.07	56.96	96.28	177.51	78.79
Deletion	(17.76)	(25.21)	(41.49)	(5.87)	-
Interest on lease liability	29.19	33.26	65.37	61.64	58.60
Gain on modification	-	-	4.42	0.35	-
Payment made during the year	(96.83)	(98.81)	(186.17)	(149.82)	(100.93)
<b>Balance at the end of the year</b>	<b>588.11</b>	<b>662.23</b>	<b>634.44</b>	<b>696.03</b>	<b>612.22</b>

(D) Maturity analysis of lease liabilities

Less than one year	224.64	181.14	186.09	179.07	134.85
One to five years	644.79	524.95	553.23	549.75	441.86
More than five years	127.26	131.40	55.29	172.92	249.83
<b>Total undiscounted lease liabilities at end of the year</b>	<b>996.69</b>	<b>837.49</b>	<b>794.61</b>	<b>901.74</b>	<b>826.54</b>
<b>Lease liabilities included in the statement of financial position at the end of the year</b>	<b>588.11</b>	<b>662.23</b>	<b>634.44</b>	<b>696.03</b>	<b>612.22</b>

(E) Amounts recognised in statement of profit or loss

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the Year ended 31 March 2023	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Interest on lease liabilities	29.19	33.26	65.37	61.64	58.60
Expenses relating to short-term leases	9.72	7.38	16.65	14.73	19.60
Amortisation of Right to Use Assets	74.23	71.67	146.31	120.33	100.36
	<b>113.14</b>	<b>112.31</b>	<b>228.33</b>	<b>196.70</b>	<b>178.56</b>

(F) Amounts recognised in the statement of cash flows

<b>Total Cash outflow for leases</b>	<b>96.83</b>	<b>98.81</b>	<b>181.74</b>	<b>149.47</b>	<b>100.93</b>
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42 Impairment testing of Goodwill

Goodwill is tested for impairment annually on 31 March every year. Company operates in single segment/ Cash Generating Unit (CGU).

The recoverable amount of a CGU is based on higher of fair value less costs to sell and value in use. 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 participant at measurement date. Value in use is present value of future cash flow expected to be derived from an assets (CGU). The value in use is estimated using discounted cash flows over a period of 5 years and Cash flows beyond 5 years is estimated by capitalising the future maintainable cash flows by an appropriate capitalisation rate and then discounted using appropriate discount rate. This fair value measurement was categorised as a Level 3 fair value based on inputs in the valuation technique used.

Operating margins and growth rates for the five year cash flow projections have been estimated based on past experience and after considering the financial budgets/forecasts provided by the management. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industry and have been based on historical data from both external and internal sources.

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Discount rate	9.9% - 23.2%	9.8% - 12.0%	9.9% - 23.2%	9.8% - 12%	9.8% - 12%
Terminal value growth rate	7%	7%	7%	7%	7%
Revenue growth rate	20%	15%	20%	15%	15%

With regard to assessment of recoverable amount, no reasonably possible change in any of the above key assumptions would cost the carrying amount of the CGU's to exceed their recoverable amount.

The Group has also performed sensitivity analysis calculations on the projections used and discount rate applied. Company has concluded that, given the significant headroom that exists, and the results of the sensitivity analysis performed, there is no significant risk that reasonable changes in any key assumptions would cause the carrying value of CGU to exceed its value in use.

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## 43 Fair value measurements

## A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Particulars	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets and liabilities as at 30 September 2023</b>								
<b>Non-current financial assets</b>								
Other financial assets	-	-	123.09	123.09	-	-	123.09	123.09
<b>Current financial assets</b>								
Trade receivables	-	-	6,304.88	6,304.88	-	-	6,304.88	6,304.88
Cash and cash equivalents	-	-	519.29	519.29	-	-	519.29	519.29
Bank balances other than cash and cash equivalent	-	-	784.32	784.32	-	-	784.32	784.32
Loans	-	-	1.07	1.07	-	-	1.07	1.07
Other financial assets	-	-	29.38	29.38	-	-	29.38	29.38
<b>Total</b>	-	-	<b>7,762.03</b>	<b>7,762.03</b>	-	-	<b>7,762.03</b>	<b>7,762.03</b>
<b>Non-current financial liabilities</b>								
Lease Liabilities	-	-	462.85	462.85	-	-	462.85	462.85
Borrowings	-	-	1,134.75	1,134.75	-	-	1,134.75	1,134.75
<b>Current financial liabilities</b>								
Lease Liabilities	-	-	125.26	125.26	-	-	125.26	125.26
Trade payables	-	-	2,248.64	2,248.64	-	-	2,248.64	2,248.64
Borrowings	-	-	3,752.01	3,752.01	-	-	3,752.01	3,752.01
Other financial liabilities	-	-	396.99	396.99	-	-	396.99	396.99
<b>Total</b>	-	-	<b>8,120.50</b>	<b>8,120.50</b>	-	-	<b>8,120.50</b>	<b>8,120.50</b>

Particulars	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets and liabilities as at 30 September 2022</b>								
<b>Non-current financial assets</b>								
Other financial assets	-	-	62.12	62.12	-	-	62.12	62.12
<b>Current financial assets</b>								
Trade receivables	-	-	4,771.89	4,771.89	-	-	4,771.89	4,771.89
Cash and cash equivalents	-	-	396.25	396.25	-	-	396.25	396.25
Bank balances other than cash and cash equivalent	-	-	675.60	675.60	-	-	675.60	675.60
Loans	-	-	5.91	5.91	-	-	5.91	5.91
Other financial assets	-	-	19.81	19.81	-	-	19.81	19.81
<b>Total</b>	-	-	<b>5,931.58</b>	<b>5,931.58</b>	-	-	<b>5,931.58</b>	<b>5,931.58</b>
<b>Non-current financial liabilities</b>								
Lease Liabilities	-	-	499.76	499.76	-	-	499.76	499.76
Borrowings	-	-	-	-	-	-	-	-
<b>Current financial liabilities</b>								
Lease Liabilities	-	-	162.47	162.47	-	-	162.47	162.47
Trade payables	-	-	1,583.55	1,583.55	-	-	1,583.55	1,583.55
Borrowings	-	-	3,675.07	3,675.07	-	-	3,675.07	3,675.07
Other financial liabilities	-	-	364.97	364.97	-	-	364.97	364.97
<b>Total</b>	-	-	<b>6,285.82</b>	<b>6,285.82</b>	-	-	<b>6,285.82</b>	<b>6,285.82</b>

Particulars	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets and liabilities as at 31 March 2023</b>								
<b>Non-current financial assets</b>								
Other financial assets	-	-	79.47	79.47	-	-	79.47	79.47
<b>Current financial assets</b>								
Trade receivables	-	-	5,148.84	5,148.84	-	-	5,148.84	5,148.84
Cash and cash equivalents	-	-	253.62	253.62	-	-	253.62	253.62
Bank balances other than cash and cash equivalent	-	-	814.82	814.82	-	-	814.82	814.82
Loans	-	-	5.92	5.92	-	-	5.92	5.92
Other financial assets	-	-	14.06	14.06	-	-	14.06	14.06
<b>Total</b>	-	-	<b>6,316.73</b>	<b>6,316.73</b>	-	-	<b>6,316.73</b>	<b>6,316.73</b>
<b>Non-current financial liabilities</b>								
Lease Liabilities	-	-	499.68	499.68	-	-	499.68	499.68
Borrowings	-	-	310.67	310.67	-	-	310.67	310.67
<b>Current financial liabilities</b>								
Lease Liabilities	-	-	134.76	134.76	-	-	134.76	134.76
Trade payables	-	-	2,105.00	2,105.00	-	-	2,105.00	2,105.00
Borrowings	-	-	3,424.48	3,424.48	-	-	3,424.48	3,424.48
Other financial liabilities	-	-	309.48	309.48	-	-	309.48	309.48
<b>Total</b>	-	-	<b>6,784.07</b>	<b>6,784.07</b>	-	-	<b>6,784.07</b>	<b>6,784.07</b>

Particulars	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets and liabilities as at 31 March 2022</b>								
<b>Non-current financial assets</b>								
Other financial assets	-	-	67.46	67.46	-	-	67.46	67.46
<b>Current financial assets</b>								
Trade receivables	-	-	3,745.99	3,745.99	-	-	3,745.99	3,745.99
Cash and cash equivalents	-	-	465.08	465.08	-	-	465.08	465.08
Bank balances other than cash and cash equivalent	-	-	588.90	588.90	-	-	588.90	588.90
Loans	-	-	10.22	10.22	-	-	10.22	10.22
Other financial assets	-	-	15.37	15.37	-	-	15.37	15.37
<b>Total</b>	-	-	4,893.03	4,893.03	-	-	4,893.02	4,893.02
<b>Non-current financial liabilities</b>								
Lease Liabilities	-	-	576.86	576.86	-	-	576.86	576.86
Borrowings	-	-	371.26	371.26	-	-	371.26	371.26
<b>Current financial liabilities</b>								
Lease Liabilities	-	-	119.17	119.17	-	-	119.17	119.17
Trade payables	-	-	1,397.79	1,397.79	-	-	1,397.79	1,397.79
Borrowings	-	-	2,479.02	2,479.02	-	-	2,479.02	2,479.02
Other financial liabilities	-	-	410.55	410.55	-	-	410.55	410.55
<b>Total</b>	-	-	5,354.65	5,354.65	-	-	5,354.65	5,354.65

Particulars	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets and liabilities as at 31 March 2021</b>								
<b>Non-current financial assets</b>								
Security Deposits	-	-	63.93	63.93	-	-	63.93	63.93
<b>Current financial assets</b>								
Trade receivables	-	-	2,421.52	2,421.52	-	-	2,421.52	2,421.52
Cash and cash equivalents	-	-	323.14	323.14	-	-	323.14	323.14
Bank balances other than cash and cash equivalent	-	-	505.10	505.10	-	-	505.10	505.10
Loans	-	-	7.52	7.52	-	-	7.52	7.52
Other financial assets	-	-	6.27	6.27	-	-	6.27	6.27
<b>Total</b>	-	-	3,327.48	3,327.48	-	-	3,327.48	3,327.48
<b>Non-current financial liabilities</b>								
Lease Liabilities	-	-	532.32	532.32	-	-	532.32	532.32
<b>Current financial liabilities</b>								
Lease Liabilities	-	-	79.90	79.90	-	-	79.90	79.90
Trade payables	-	-	967.40	967.40	-	-	967.40	967.40
Borrowings	-	-	1,417.03	1,417.03	-	-	1,417.03	1,417.03
Other financial liabilities	-	-	108.16	108.16	-	-	108.16	108.16
<b>Total</b>	-	-	3,104.81	3,104.81	-	-	3,104.81	3,104.81

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

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**Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)**

**Annexure V - Notes to Restated Consolidated Financial Information**

(₹ in Million, unless otherwise stated)

**44 Business Combination**

During the period ended 30 September 2023, the group has acquired following businesses:

**I Entero R.S Enterprises Private Limited**

**Acquisition of R.S Enterprises (Banglore) Private Limited**

- a On 28 June 2023, Entero R.S Enterprises Private Limited completed the acquisition of R.S Enterprises (Banglore) Private Limited under slump sale. The deal envisaged the acquisition of the business for a total cash consideration of INR 226.97 million including milestone payments of INR 150.00 million payable after completion of audit for the year ending on 31 March 2024 subject to certain adjustments. The transaction is accounted as per acquisition method of business combination under Ind AS 103.

**In the books of Entero R.S Enterprises Private Limited**

**b Purchase consideration transferred:**

Particulars	Amount
Lump sum consideration (including contingent consideration)	226.97

**c Assets acquired and liabilities assumed:**

Particulars	Amount
Property, Plant and Equipment	4.85
Inventories	121.51
Trade Receivables	126.10
Trade and other Payable	(55.49)
<b>Total identifiable net assets</b>	<b>196.97</b>

**d Amount recognized as Goodwill:**

Particulars	Amount
Fair value of consideration transferred	226.97
Less: Fair value of the net assets acquired	(196.97)
<b>Goodwill</b>	<b>30.00</b>

**e Acquired Receivables:**

As on the date of acquisition, gross contractual amount of the acquired Trade and other Receivables was INR 126.10 million against which no provision had been considered since fair value of the acquired receivables were equal to carrying value as on the date of acquisition.

As on 16 September 2023, the Company purchased 100% share capital of Entero R.S Enterprises Private Limited under share purchase agreement (SPA). Consequently, Entero R.S Enterprises Private Limited has become a 100% subsidiary of the Company w.e.f. 16 September 2023.

The acquisition is in line with the Company's strategy to consolidate its position in Bangalore Market.

During the year ended 31 March 2023, the group has acquired following businesses:

**I Saurashtra Medisolutions Private Limited**

**Acquisition of Saurashtra Agency**

- a On 01 May 2022, the Company completed the acquisition of the Saurashtra Agency a partnership firm under slump sale. The deal envisaged the acquisition of the business for a total cash consideration of INR 87.41 million including deferred consideration of INR 28.35 million payable on transfer of atleast 90% of new supplier code by aquiree which shall be transferred within 90 days of closing date. The transaction is accounted as per acquisition method of business combination under Ind AS 103.

The acquisition is in line with the Company's strategy to enter the Gujarat market.

**b Purchase consideration transferred:**

Particulars	Amount
Lump sum consideration (including contingent consideration)	87.41

**c Assets acquired and liabilities assumed:**

Particulars	Amount
Property, Plant and Equipment	7.25
Inventories	34.24
Trade Receivables	18.74
Other Current Assets	2.21
Other Current Liabilities	(10.87)
Trade Payable	(15.53)
<b>Total identifiable net assets</b>	<b>36.04</b>

**d Amount recognized as Goodwill:**

Particulars	Amount
Fair value of consideration transferred	87.41
Less: Fair value of the net assets acquired	(36.04)
<b>Goodwill</b>	<b>51.37</b>

**e Acquired Receivables:**

As on the date of acquisition, gross contractual amount of the acquired Trade and other Receivables was INR 18.74 million against which no provision had been considered since fair value of the acquired receivables were equal to carrying value as on the date of acquisition.



**Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)**

**Annexure V - Notes to Restated Consolidated Financial Information**

(₹ in Million, unless otherwise stated)

**II SVS Lifesciences Private Limited**

**Acquisition of S.V.S Pharmaceutical Distributors**

- a On 24 June 2022, the Company completed the acquisition of the S.V.S Pharmaceutical Distributors a partnership firm under slump sale. The deal envisaged the acquisition of the business for a total cash consideration of INR 79 million including deferred consideration of INR 17.50 million payable on transfer of atleast 90% of new supplier code by acquiree which shall be transferred within 90 days of closing date. The transaction is accounted as per acquisition method of business combination under Ind AS 103.

The acquisition is in line with the Company's strategy to enter the Chhatisgarh market.

**b Purchase consideration transferred:**

Particulars	Amount
Lump sum consideration	<u>79.00</u>

**c Assets acquired and liabilities assumed:**

Particulars	Amount
Property, Plant and Equipment	0.63
Inventories	28.68
Trade Receivables	30.79
Other Current Liabilities	(8.88)
Trade Payable	(6.10)
<b>Total identifiable net assets</b>	<u><b>45.12</b></u>

**d Amount recognized as Goodwill:**

Particulars	Amount
Fair value of consideration transferred	79.00
Less: Fair value of the net assets acquired	(45.12)
<b>Goodwill</b>	<u><b>33.88</b></u>

**e Acquired Receivables:**

As on the date of acquisition, gross contractual amount of the acquired Trade and other Receivables was INR 30.79 million against which no provision had been considered since fair value of the acquired receivables were equal to carrying value as on the date of acquisition.

**III S.S. Pharma Traders Private Limited**

**Acquisition of S.S. Traders**

- a On 18 August 2022, the Company completed the acquisition of the S.S. Traders a sole proprietorship firm under slump sale. The deal envisaged the acquisition of the business for a total cash consideration of INR 79.33 million including deferred consideration of INR 33.60 million payable on transfer of atleast 90% of new supplier code by acquiree which shall be transferred within 90 days of closing date and milestone payment payable on achieving Sales, EBIDTA and Net Working Capital targets. The transaction is accounted as per acquisition method of business combination under Ind AS 103.

The acquisition is in line with the Company's strategy to strengthen the Uttar Pradesh market.

**b Purchase consideration transferred:**

Particulars	Amount
Lump sum consideration (including contingent consideration)	<u>79.33</u>

**c Assets acquired and liabilities assumed:**

Particulars	Amount
Property, Plant and Equipment	1.36
Inventories	57.77
Trade Receivables	69.92
Other Current Liabilities	(29.13)
Trade Payable	(109.72)
<b>Total identifiable net assets</b>	<u><b>(9.80)</b></u>

**d Amount recognized as Goodwill:**

Particulars	Amount
Fair value of consideration transferred	79.33
Less: Fair value of the net assets acquired	9.80
<b>Goodwill</b>	<u><b>89.13</b></u>

**e Acquired Receivables:**

As on the date of acquisition, gross contractual amount of the acquired Trade and other Receivables was INR 69.92 million against which no provision had been considered since fair value of the acquired receivables were equal to carrying value as on the date of acquisition.

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**Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)**

**Annexure V - Notes to Restated Consolidated Financial Information**

(₹ in million, unless otherwise stated)

During the year ended 31 March 2022, the group has acquired following businesses:

**I Western Healthcare Solutions Private Limited**

**Acquisition of Western Agencies**

- a On 01 April 2021, the Company completed the acquisition of the Western Agencies a partnership firm under slump sale. The deal envisaged the acquisition of the business for a total cash consideration of INR 157.5 million including deferred consideration of INR 72.5 million payable on transfer of at least 90% of new supplier code by acquiree which shall be transferred within 120 days of closing date and milestone payment payable on achieving Sales, EBIDTA and Net Working Capital targets. The transaction is accounted as per acquisition method of business combination under Ind AS 103.

The acquisition is in line with the Company's strategic to strengthen the position in Kerala market.

**b Purchase consideration transferred:**

**Particulars**

Lump sum consideration (including contingent consideration)

Amount
<b>157.50</b>

**c Assets acquired and liabilities assumed:**

**Particulars**

Property, Plant and Equipment

Inventories

Trade Receivables

Other Current Assets

Gratuity

Trade Payable

**Total identifiable net assets**

Amount
1.98
69.78
49.76
0.65
(1.62)
(42.16)
<b>78.39</b>

**d Amount recognized as Goodwill:**

**Particulars**

Fair value of consideration transferred

Less: Fair value of the net assets acquired

**Goodwill**

Amount
157.50
(78.39)
<b>79.11</b>

**e Acquired Receivables:**

As on the date of acquisition, gross contractual amount of the acquired Trade and other Receivables was INR 50.41 million against which no provision had been considered since fair value of the acquired receivables were equal to carrying value as on the date of acquisition.

**II City Pharma Distributors Private Limited**

**Acquisition of City Pharma Distributors**

- a On 14th April 2021, the Company completed the acquisition of the City Pharma Distributors a partnership firm under slump sale. The deal envisaged the acquisition of the business for a total cash consideration of INR 18.56 million including deferred consideration of INR 7.2 million payable on transfer of at least 90% of new supplier code by acquiree which shall be transferred within 90 days of closing date and milestone payment payable on achieving Sales, EBIDTA and Net Working Capital targets. The transaction is accounted as per acquisition method of business combination under Ind AS 103.

The acquisition is in line with the Company's strategic to strengthen the position in Karnataka market.

**b Purchase consideration transferred:**

**Particulars**

Lump sum consideration (including contingent consideration)

Amount
<b>18.56</b>

**c Assets acquired and liabilities assumed:**

**Particulars**

Property, Plant and Equipment

Inventories

Trade Receivables

Trade Payable

**Total identifiable net assets**

Amount
0.31
8.95
5.58
(5.28)
<b>9.56</b>

**d Amount recognized as Goodwill:**

**Particulars**

Fair value of consideration transferred

Less: Fair value of the net assets acquired

**Goodwill**

Amount
18.56
(9.56)
<b>9.00</b>

**e Acquired Receivables:**

As on the date of acquisition, gross contractual amount of the acquired Trade and other Receivables was INR 5.58 million against which no provision had been considered since fair value of the acquired receivables were equal to carrying value as on the date of acquisition.

**Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)**

**Annexure V - Notes to Restated Consolidated Financial Information**

(₹ in million, unless otherwise stated)

**III Atreja Healthcare Solutions Private Limited**

**Acquisition of Atreja Medical Store**

- a On 14 April 2021, the Company completed the acquisition of Atreja Medical Store a proprietorship firm under slump sale. The deal envisaged the acquisition of the business for a total cash consideration of INR 20.46 million including deferred consideration of INR 2.5 million payable on transfer of atleast 90% of new supplier code by acquiree which shall be transferred within 150 days of closing date and milestone payment payable on achieving EBIDTA targets & Net working capital days target. The transaction is accounted as per acquisition method of business combination under Ind AS 103.

The acquisition is in line with the Company's strategic intent to enter in Karnal, Haryana market.

**b Purchase consideration transferred:**

**Particulars**

Lump sum consideration (including contingent consideration)

Amount
20.46

**c Assets acquired and liabilities assumed:**

**Particulars**

Inventories

Trade receivables

Trade payables

**Total identifiable net assets**

Amount
7.93
7.13
(4.60)
<b>10.46</b>

**d Amount recognized as Goodwill:**

**Particulars**

Fair value of consideration transferred

Less: Fair value of the net assets acquired

**Goodwill**

Amount
20.46
(10.46)
<b>10.00</b>

**e Acquired Receivables:**

As on the date of acquisition, gross contractual amount of the acquired Trade and other Receivables was INR 7.13 million against which no provision had been considered since fair value of the acquired receivables were equal to carrying value as on the date of acquisition.

**IV New Siva Agencies Private Limited**

**Acquisition of Siva Agencies**

- a On 02 December 2021, the Company completed the acquisition of the Siva Agencies a proprietorship firm under slump sale. The deal envisaged the acquisition of the business for a total cash consideration of INR 62.64 million including deferred consideration of INR 21.2 million payable on transfer of atleast 90% of new supplier code by acquiree which shall be transferred within 90 days of closing date and milestone payment payable on achieving Sales, EBIDTA and Net Working Capital targets. The transaction is accounted as per acquisition method of business combination under Ind AS 103.

The acquisition is in line with the Company's strategic to strengthen the position in Chennai market.

**b Purchase consideration transferred:**

**Particulars**

Lump sum consideration (including contingent consideration)

Amount
62.64

**c Assets acquired and liabilities assumed:**

**Particulars**

Property, Plant and Equipment

Inventories

Trade Receivables

Other Current Assets

Trade Payable

Other Current Liability

**Total identifiable net assets**

Amount
1.74
12.52
22.21
2.93
(3.52)
(0.43)
<b>35.45</b>

**d Amount recognized as Goodwill:**

**Particulars**

Fair value of consideration transferred

Less: Fair value of the net assets acquired

**Goodwill**

Amount
62.64
(35.45)
<b>27.19</b>

**e Acquired Receivables:**

As on the date of acquisition, gross contractual amount of the acquired Trade and other Receivables was INR 25.14 million against which no provision had been considered since fair value of the acquired receivables were equal to carrying value as on the date of acquisition.

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**Annexure V - Notes to Restated Consolidated Financial Information**

(₹ in million, unless otherwise stated)

**V New RRPD Private Limited**

**Acquisition of New R R R Pharmaceuticals Distributers**

- a On 03 December 2021, the Company completed the acquisition of the New R R Pharmaceuticals Distributers a partnership firm under slump sale. The deal envisaged the acquisition of the business for a total cash consideration of INR 44.00 million including deferred consideration of INR 13.9 million payable on transfer of atleast 90% of new supplier code by aquiree which shall be transferred within 90 days of closing date and milestone payment payable on achieving Sales, EBIDTA and Net Working Capital targets. The transaction is accounted as per acquisition method of business combination under Ind AS 103.

The acquisition is in line with the Company's strategic to strengthen the position in Chennai market.

**b Purchase consideration transferred:**

Particulars	Amount
Lump sum consideration (including contingent consideration)	44.00

**c Assets acquired and liabilities assumed:**

Particulars	Amount
Property, Plant and Equipment	0.54
Inventories	17.94
Trade Receivables	14.04
Other Current Assets	1.66
Trade Payable	(7.83)
Other Current Liabilty	(0.15)
<b>Total identifiable net assets</b>	<b>26.20</b>

**d Amount recognized as Goodwill:**

Particulars	Amount
Fair value of consideration transferred	44.00
Less: Fair value of the net assets acquired	(26.20)
<b>Goodwill</b>	<b>17.80</b>

**e Acquired Receivables:**

As on the date of acquisition, gross contractual amount of the acquired Trade and other Receivables was INR 15.70 million against which no provision had been considered since fair value of the acquired receivables were equal to carrying value as on the date of acquisition.

**VI Swami Medisolutions Private Limited**

**Acquisition of Swami Medical Hall**

- a On 21 December 2021, the Company completed the acquisition of M/s Swami Medical Hall. a proprietorship firm under slump sale. The deal envisaged the acquisition of the business for a total cash consideration of INR 51.35 million including deferred consideration of INR 4 million payable on transfer of atleast 90% of new supplier code by aquiree which shall be transferred within 150 days of closing date and milestone payment payable on achieving EBIDTA targets & Net working capital days target. The transaction is accounted as per acquisition method of business combination under Ind AS 103.

The acquisition is in line with the Company's strategic intent to enter in Amritsar, Punjab market.

**b Purchase consideration transferred:**

Particulars	Amount
Lump sum consideration (including contingent consideration)	51.35

**c Assets acquired and liabilities assumed:**

Particulars	Amount
Property, Plant and Equipment	0.29
Inventories	24.21
Trade receivables	24.22
Trade payables	(10.36)
<b>Total identifiable net assets</b>	<b>38.36</b>

**d Amount recognized as Goodwill:**

Particulars	Amount
Fair value of consideration transferred	51.35
Less: Fair value of the net assets acquired	(38.35)
<b>Goodwill</b>	<b>13.00</b>

**e Acquired Receivables:**

As on the date of acquisition, gross contractual amount of the acquired Trade and other Receivables was INR 24.22 million against which no provision had been considered since fair value of the acquired receivables were equal to carrying value as on the date of acquisition.

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**Annexure V - Notes to Restated Consolidated Financial Information**

(₹ in million, unless otherwise stated)

**VII Sri Parshva Pharma Distributors Private Limited**

**Acquisition of Sri Parshva Drug House**

- a On 01 February 2022, the Company completed the acquisition of the Sri Parshva Drug House a partnership firm under slump sale. The deal envisaged the acquisition of the business for a total cash consideration of INR 551.78 million including deferred consideration of INR 85.00 Million payable on transfer of atleast 90% of new supplier code by aquiree which shall be transferred within 90 days of closing date and milestone payment payable on achieving EBIDTA targets & Net working capital days target. The transaction is accounted as per acquisition method of business combination under Ind AS 103.

The acquisition is in line with the Company's strategic intent to strengthen in Bangalore market.

**b Purchase consideration transferred:**

Particulars	Amount
Lump sum consideration (including contingent consideration)	551.78

**c Assets acquired and liabilities assumed:**

Particulars	Amount
<b>Assets acquired</b>	
Property, Plant and Equipment	32.31
Inventories	147.05
Trade receivables	276.40
Trade payables	(73.07)
<b>Total identifiable net assets</b>	<b>382.69</b>

**d Amount recognized as Goodwill:**

Particulars	Amount
Fair value of consideration transferred	551.78
Less: Fair value of the net assets acquired	(382.69)
<b>Goodwill</b>	<b>169.09</b>

**e Acquired Receivables:**

As on the date of acquisition, gross contractual amount of the acquired Trade and other Receivables was INR 276.40 million against which no provision had been considered since fair value of the acquired receivables were equal to carrying value as on the date of acquisition.

**VIII Sri Rama Pharmaceutical Distributors Private Limited**

**Acquisition of Sri Rama Pharmaceutical Distributors**

- a On 01 March 2022, the Company completed the acquisition of the Sri Rama Pharmaceutical Distributors a partnership firm under slump sale. The deal envisaged the acquisition of the business for a total cash consideration of INR 562.94 million including deferred consideration of INR 214.3 million payable on transfer of atleast 90% of new supplier code by aquiree which shall be transferred within 150 days of closing date and milestone payment payable on achieving EBIDTA targets & Net working capital days target. The transaction is accounted as per acquisition method of business combination under Ind AS 103.

The acquisition is in line with the Company's strategic intent to strengthen in Hyderabad market.

**b Purchase consideration transferred:**

Particulars	Amount
Lump sum consideration (including contingent consideration)	562.94

**c Assets acquired and liabilities assumed:**

Particulars	Amount
<b>Assets acquired</b>	
Property, Plant and Equipment	0.29
Inventories	73.09
Trade receivables	305.45
Trade payables	(98.39)
<b>Total identifiable net assets</b>	<b>280.44</b>

**d Amount recognized as Goodwill:**

Particulars	Amount
Fair value of consideration transferred	562.94
Less: Fair value of the net assets acquired	(280.44)
<b>Goodwill</b>	<b>282.50</b>

**e Acquired Receivables:**

As on the date of acquisition, gross contractual amount of the acquired Trade and other Receivables was INR 305.45 million against which no provision had been considered since fair value of the acquired receivables were equal to carrying value as on the date of acquisition.

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**Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)**

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(₹ in million, unless otherwise stated)

During the year ended 31 March 2021, the group has acquired following businesses:

**I Sree Venkateshwara Medisolutions Private Limited**

**a Acquisition of Sree Venkateswara Drugs**

On 6 August 2020, the Company completed the acquisition of the Sree Venkateswara Drugs a partnership firm under slump sale. The deal envisaged the acquisition of the business for a total cash consideration of INR 6.71 million including deferred consideration payable on transfer of atleast 90% of new supplier code to acquiree which shall be transferred within 90 days of closing date and milestone payment on achievement of sales target and employment of certain employees. The transaction is accounted as per acquisition method of business combination under Ind AS 103.

The acquisition is in line with the Company's strategic intent to strengthen its position in Hyderabad.

**b Purchase consideration transferred:**

Particulars	Amount
Lump sum consideration	6.71

**c Assets acquired and liabilities assumed:**

Particulars	Amount
Property, Plant and equipment	0.08
Trade Receivables	2.06
Other current assets	0.20
Inventory	3.02
Trade Payables	(1.32)
Other current liabilities	(0.03)
<b>Total identifiable net assets</b>	<b>4.01</b>

**d Amount recognized as Goodwill:**

Particulars	Amount
Fair value of consideration transferred	6.71
Less: Fair value of the net assets acquired	(4.01)
<b>Goodwill</b>	<b>2.70</b>

**e Acquired Receivables:**

As on the date of acquisition, gross contractual amount of the acquired Trade and other Receivables was INR 2.26 million against which no provision had been considered since fair value of the acquired receivables were equal to carrying value as on the date of acquisition.

**II CPD Pharma Private Limited**

**a Acquisition of CPD Pharma Private Limited**

On 14 September 2020, the Company completed the acquisition of the 100% of the issued and outstanding shares of the CPD Pharma Private Limited which is in the business of trading in pharmaceutical products, pursuant to a Share Purchase Agreement (the 'SPA'), dated as of September 14, 2020. The transaction is accounted as per acquisition method of business combination under Ind AS 103.

The acquisition is in line with the Company's strategic intent to strengthen its position in Chennai market.

**b Purchase consideration transferred:**

Particulars	Amount
Lump sum consideration (including contingent consideration)	10.10

**c Assets acquired and liabilities assumed:**

Particulars	Amount
Property plant and Equipment	0.07
Inventories	9.50
Trade receivables	6.61
Cash and Cash Equivalents	3.83
Other Current Assets	0.98
Short term borrowings	(0.50)
Trade payables	(17.97)
Other Current liabilities	(1.28)
<b>Total identifiable net assets</b>	<b>1.24</b>

**d Amount recognized as Goodwill:**

Particulars	Amount
Fair value of consideration transferred	10.10
Less: Fair value of the net assets acquired	(1.24)
<b>Goodwill</b>	<b>8.86</b>

**e Acquired Receivables:**

As on the date of acquisition, gross contractual amount of the acquired Trade and other Receivables was INR 8.96 million against which no provision had been considered since fair value of the acquired receivables were equal to carrying value as on the date of acquisition.

**Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)****Annexure V - Notes to Restated Consolidated Financial Information**

(₹ in million, unless otherwise stated)

**III Calcutta Medisolutions Private Limited****a Acquisition of Calcutta Medical Hall**

On 1 January 2021, the Company completed the acquisition of the Calcutta Medical Hall a partnership firm under slump sale. The deal envisaged the acquisition of the business for a total cash consideration of INR 4.28 million including deferred consideration payable on transfer of atleast 90% of new supplier code to acquiree which shall be transferred within 90 days of closing date. The transaction is accounted as per acquisition method of business combination under Ind AS 103.

The acquisition is in line with the Company's strategic intent to strengthen its position in Kolkata market.

**b Purchase consideration transferred:**

Particulars	Amount
Lump sum consideration (including contingent consideration)	4.28

**c Assets acquired and liabilities assumed:**

Particulars	
Inventories	1.26
Trade receivables	0.68
Trade payables	(0.16)
<b>Total identifiable net assets</b>	<b>1.78</b>

**d Amount recognized as Goodwill:**

Particulars	Amount
Fair value of consideration transferred	4.28
Less: Fair value of the net assets acquired	(1.78)
<b>Goodwill</b>	<b>2.50</b>

**e Acquired Receivables:**

As on the date of acquisition, gross contractual amount of the acquired Trade and other Receivables was INR 0.68 million against which no provision had been considered since fair value of the acquired receivables were equal to carrying value as on the date of acquisition.

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Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

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(₹ in million, unless otherwise stated)

45 Contingent liabilities & commitments

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Estimated amount of contracts remaining to be executed on capital account	-	-	-	-	3.00
Bank guarantees	0.12	0.12	0.12	0.12	0.12
Claims not acknowledged as debts:					
(i) Income tax	2.07	2.07	2.07	-	-
(ii) Indirect tax	0.77	-	0.77	-	-

46 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The Managing director of the Company acts as the (CODM). The Company operates only in one business segment i.e. trading of pharmaceutical and surgical products and hence, the Company does not have any separate reportable segments as per Ind AS 108 "Operating Segments".

Entity wide disclosure:

(a) For disclosure relating to Revenue from external customers and Disaggregation of Revenue, please refer to Note 31: Revenue from Operations.

(b) There are no major customers who individually contributes more than 10% of the Group's total revenue.

(c) The total of non-current assets other than financial instruments and deferred tax assets broken down by location of assets is shown below:

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
India	2,704.86	2,799.93	2,756.01	2,676.76	1,941.41
<b>Total</b>	<b>2,704.86</b>	<b>2,799.93</b>	<b>2,756.01</b>	<b>2,676.76</b>	<b>1,941.41</b>

Analysis of revenues by segments:

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the Year ended 31 March 2023	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Trading of pharmaceutical and surgical products.	18,955.01	15,839.68	33,002.07	25,220.65	17,797.37

Revenue based on Geography:

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the Year ended 31 March 2023	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Domestic	18,955.01	15,839.68	33,002.07	25,220.65	17,770.31
Export	-	-	-	-	27.06
<b>Total</b>	<b>18,955.01</b>	<b>15,839.68</b>	<b>33,002.07</b>	<b>25,220.65</b>	<b>17,797.37</b>

Revenue from operations reported in Note 31 Revenue from Operations, excludes GST. Revenue inclusive of taxes has been determined by grossing up the revenue with the average rate of GST for the period/year ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021, respectively, as per table below:

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the Year ended 31 March 2023	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Revenue excluding taxes (A)	18,955.01	15,839.68	33,002.07	25,220.65	17,797.37
Averages GST percentage (B)	11.82%	11.93%	11.99%	11.85%	12.01%
<b>Revenue grossed up for GST (C) = (A)*(1+(B))</b>	<b>21,195.49</b>	<b>17,729.35</b>	<b>36,959.02</b>	<b>28,209.30</b>	<b>19,934.83</b>

47 Capital Management

The primary objective of the company's capital management is to ensure that it maintains an efficient capital structure and maximizes shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the period/year ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021.

The company monitors capital using a ratio of "Adjusted net debt" to "Equity". For this purpose, the adjusted net debt is defined as total liabilities comprising of interest-bearing loans and borrowings less Cash and cash equivalents and Bank balances other than Cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the owners.

The company's adjusted net debt to equity ratio is as follows:

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
<b>Borrowings</b>					
Long term and Short term borrowings	4,886.77	3,675.07	3,735.15	2,850.28	1,417.03
Less: Cash and cash equivalents	(519.29)	(396.25)	(253.62)	(465.08)	(323.14)
Less: Bank balances other than cash and cash equivalents	(784.32)	(675.60)	(814.82)	(588.90)	(505.10)
<b>Adjusted net debt</b>	<b>3,583.16</b>	<b>2,603.22</b>	<b>2,666.71</b>	<b>1,796.30</b>	<b>588.79</b>
Total Equity	6,605.48	5,946.69	5,976.61	5,632.16	4,870.60
<b>Adjusted net debt to equity ratio</b>	<b>0.54</b>	<b>0.44</b>	<b>0.45</b>	<b>0.32</b>	<b>0.12</b>



#### 48 Financial Risk Management

The Group has in place comprehensive risk management policy in order to identify measure, monitor and mitigate various risks pertaining to its business. Along with the risk management policy, an adequate internal control system, commensurate to the size and complexity of its business, is maintained to align with the philosophy of The Group. Together they help in achieving the business goals and objectives consistent with The group's strategies to prevent inconsistencies and gaps between its policies and practices. The Board of Directors/committees reviews the adequacy and effectiveness of the risk management policy and internal control system. The Group's financial risk management is an integral part of how to plan and execute its business strategies.

The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk and
- Market risk

##### (A) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade and other receivables. The carrying amounts of financial assets represent the maximum credit risk exposure.

##### i) Trade and Other Receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

In compliance with the requirement of Ind AS 109, The Group uses expected credit loss model to assess the impairment loss. The Group computes the expected credit loss allowance as per simplified approach for trade receivables based on available external and internal credit risk factors such as the ageing of its dues, market information about the customer and The Group's historical experience for customers. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is based on the ageing of the receivable days and the rates as given in the provision matrix.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Opening Provision	132.51	82.25	82.25	20.83	6.77
Add: Additional provision made	29.28	4.37	50.26	61.42	14.06
Closing Provision	161.79	86.62	132.51	82.25	20.83

##### (B) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation. Management monitors rolling forecasts of the group's liquidity position and cash and cash equivalents on the basis of expected cash flows.

##### (i) Contractual maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

As at 30 September 2023	1 year or less	1-5 years	More than 5 years	Total
	Lease Liabilities	224.64	644.79	127.26
Borrowings	3,752.01	1,134.75	-	4,886.76
Trade Payables	2,248.64	-	-	2,248.64
Other financial liabilities	396.99	-	-	396.99
<b>Total</b>	<b>6,622.29</b>	<b>1,779.54</b>	<b>127.26</b>	<b>8,529.08</b>
As at 30 September 2022	1 year or less	1-5 years	More than 5 years	Total
Lease Liabilities	181.14	524.95	131.40	837.49
Borrowings	3,675.07	-	-	3,675.07
Trade Payables	1,583.55	-	-	1,583.55
Other financial liabilities	364.97	-	-	364.97
<b>Total</b>	<b>5,804.73</b>	<b>524.95</b>	<b>131.40</b>	<b>6,461.08</b>

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As at 31 March 2023	1 year or less	1-5 years	More than 5 years	Total
Lease Liabilities	186.09	553.23	55.29	794.61
Borrowings	3,424.48	310.67	-	3,735.15
Trade Payables	2,105.00	-	-	2,105.00
Other financial liabilities	309.48	-	-	309.48
<b>Total</b>	<b>6,025.05</b>	<b>863.90</b>	<b>55.29</b>	<b>6,944.24</b>

As at 31 March 2022	1 year or less	1-5 years	More than 5 years	Total
Lease Liabilities	179.07	549.75	172.92	901.74
Borrowings	2,479.02	371.26	-	2,850.28
Trade Payables	1,397.79	-	-	1,397.79
Other financial liabilities	410.55	-	-	410.55
<b>Total</b>	<b>4,466.43</b>	<b>921.01</b>	<b>172.92</b>	<b>5,560.36</b>

As at 31 March 2021	1 year or less	1-5 years	More than 5 years	Total
Lease Liabilities	134.85	441.86	249.83	826.54
Borrowings	1,417.03	-	-	1,417.03
Trade Payables	967.40	-	-	967.40
Other financial liabilities	108.16	-	-	108.16
<b>Total</b>	<b>2,627.44</b>	<b>441.86</b>	<b>249.83</b>	<b>3,319.13</b>

**(C) Market Risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group's exposure to, and management of, these risks is explained below.

**(i) Foreign currency risk**

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group caters mainly to the Indian Market. Most of the transactions are denominated in the Group's functional currency i.e. Rupees. Hence the Group is not materially exposed to Foreign Currency Risk.

**(ii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates.

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Variable rate borrowings	3,606.32	3,645.04	3,322.05	2,840.92	1,408.53
Fixed rate borrowings	1,280.45	30.03	413.10	9.36	8.50

**Sensitivity:**

A change of 100 basis points in interest rates would have following impact on profit after tax and equity -

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Interest rates – decrease by 100 basis points	26.69	26.97	24.58	21.02	10.42
Interest rates – increase by 100 basis points	(26.69)	(26.97)	(24.58)	(21.02)	(10.42)

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49 Employee benefits

I. Defined contribution plans

The Company has classified the various benefits provided to employees as under:

- Provident Fund
- Employee state insurance fund
- Labour welfare fund

The expense recognised during the period towards defined contribution plan -

Particulars	For the period ended	For the period ended	For the Year ended	For the Year ended	For the Year ended
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Contribution to Provident Fund	28.60	25.22	49.01	41.28	29.08
Employers Contribution to Employee state insurance	6.51	5.77	14.64	10.05	7.95
Employers Contribution to Labour welfare fund	0.19	0.12	0.23	0.20	0.17
<b>Total</b>	<b>35.30</b>	<b>31.11</b>	<b>63.88</b>	<b>51.53</b>	<b>37.20</b>

II. Defined benefit plans

Gratuity

The Company has a unfunded Gratuity Scheme for its employees and gratuity liability has been provided based on the actuarial valuation done at the year end. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

The actuarial valuation of the defined benefit obligation was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

I Movements in present value of defined benefit obligation

	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Present value of defined benefit obligation at the beginning of the year	62.63	51.33	51.33	34.31	25.65
Current service cost	9.48	8.13	16.47	14.80	8.80
Interest cost	2.47	1.86	3.72	2.47	1.87
Acquisition cost on account of business combination (refer note 44)			-	1.61	-
Actuarial (gains) / loss	(0.45)	(6.44)	(8.11)	0.26	2.05
Benefits paid	(0.62)	(1.01)	(0.78)	(2.12)	(4.06)
<b>Present value of defined benefit obligation at the end of the year</b>	<b>73.51</b>	<b>53.87</b>	<b>62.63</b>	<b>51.33</b>	<b>34.31</b>

II Net defined benefit liability/ (asset) recognised as at balance sheet date:

	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Present value of defined benefit obligation	73.51	53.87	62.63	51.33	34.31
Fair value of plan assets	-	-	-	-	-
<b>Net defined benefit liability/ (asset)</b>	<b>73.51</b>	<b>53.87</b>	<b>62.63</b>	<b>51.33</b>	<b>34.31</b>

III Expenses recognised in statement of profit and loss during the year:

	For the period ended 30 September 2023	For the period ended 30 September 2022	For the Year ended 31 March 2023	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Current service cost	9.48	8.13	16.47	14.80	8.80
Net interest cost / (income) on the net defined benefit liability / (asset)	2.47	1.86	3.72	2.47	1.87
<b>Total expenses</b>	<b>11.95</b>	<b>9.99</b>	<b>20.19</b>	<b>17.27</b>	<b>10.67</b>

IV Included in other comprehensive income

	2023	2022	2023	2022	2021
Actuarial (gains) / losses due to demographic assumption changes in defined benefit obligations	-	-	(0.37)	(0.35)	(0.45)
Actuarial (gains) / losses due to financial assumption changes in defined benefit obligations	0.04	(2.05)	(2.27)	(0.10)	2.47
Actuarial (gains)/ losses due to experience on defined benefit obligations	(0.49)	(4.39)	(5.47)	0.71	0.03
<b>Total Remeasurement (gains)/ losses recognized in OCI</b>	<b>(0.45)</b>	<b>(6.44)</b>	<b>(8.11)</b>	<b>0.26</b>	<b>2.05</b>

V Maturity profile of defined benefit obligation

	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Expected cash flows for future years (valued on undiscounted basis):					
1st Following Year	10.76	7.46	8.86	7.18	7.07
2nd Following Year	9.62	5.55	7.35	6.36	3.39
3rd Following Year	9.85	7.33	8.40	6.06	3.51
4th Following Year	10.22	7.54	8.51	6.96	4.24
5th Following Year	9.78	7.67	8.50	7.17	4.66
Sum of Years 6 To 10	34.47	26.83	28.03	24.62	15.23
Sum of Years 11 and above	28.88	22.66	25.38	20.76	10.60

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**VI Actuarial assumptions:**

	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
1 Discount rate	7.27%	7.41%	6.32%-7.28%	6.30%-6.80%	6.30%-6.80%
2 Expected Rate of increase in compensation levels	8.00%	8.00%	6.00%-10.00%	6.00%-10.00%	6.00%-10.00%
3 Withdrawal Rate	20.00%	20.00%	5.00%-33.00%	5.00%-33.00%	5.00%-33.00%
4 Mortality Rate During Employment	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
5 Retirement age	58 years	58 years	55-58 years	55-58 years	55-58 years

**VII Quantitative sensitivity analysis for significant assumptions is as below:**

1 Increase / (decrease) on present value of defined benefit obligation at the end of the period/year					
(i) +1% increase in discount rate	(3.47)	(2.78)	(3.06)	(2.64)	(1.56)
(ii) -1% decrease in discount rate	3.81	3.08	3.36	2.91	1.73
(iii) +1% increase in rate of compensation levels	3.51	2.82	3.40	2.84	1.78
(iv) -1% decrease in rate of compensation levels	(3.25)	(2.64)	(3.10)	(2.66)	(1.61)

**2 Sensitivity analysis method**

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

**Leave Encashment**

The amount recognized as an expense in respect of compensated absences is INR 3.75 million (September 2022: 2.98 million; March 2023: 3.80 million; March 2022: INR 7.42 million and 31 March 2021: INR 4.84 million).

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**50 Information of related party transactions as required by Ind AS 24 - Related Party Disclosures**

**A. Names of related parties and nature of relationship:**

Description of relationship	Name of the related party
<b>Subsidiaries</b>	Novacare Healthcare Solutions Private Limited G.S.Pharmaceutical Distributors Private Limited R S M Pharma Private Limited Getwell Medicare Solutions Private Limited Sundarlal Pharma Distributors Private Limited Chhabra Healthcare Solutions Private Limited Galaxystar Pharma Distributors Private Limited Avenues Pharma Distributors Private Limited Chirag Medicare Solutions Private Limited Jaggi Enterprises Private Limited Chethana Healthcare Solutions Private Limited Vasavi Medicare Solutions Private Limited SVMED Solutions Private Limited Chethana Pharma Private Limited Millennium Medisolutions Private Limited Rada Medisolutions Private Limited Sesha Balajee Medisolutions Private Limited Barros Enterprises Private Limited Chethana Pharma Distributors Private Limited Sree Venkateshwara Medisolutions Private Limited CPD Pharma Private Limited Calcutta Medisolutions Private Limited Curever Pharma Private Limited Rimedio Pharma Private Limited Quomed Life Sciences Private Limited Western Healthcare Solutions Private Limited Atreja Healthcare Solutions Private Limited City Pharma Distributors Private Limited Swami Medisolutions Private Limited Zennx Software Solutions Private Limited New Siva Agencies Private Limited New RRPD Private Limited Sri Rama Pharmaceutical Distributors Private Limited Sri parshva Pharma Distributors private limited Saurashtra Medisolutions Private Limited SVS Lifesciences Private Limited S.S. Pharma Traders Private Limited
<b>Key Management Personnel and their relative:</b>	Prabhat Agrawal (Chief Executive Officer and Managing Director) Prem Sethi (Whole Time Director) Sunny Sharma (Director) up to 23 August 2023 Arun Sadhanandham (Director) Vipul Desai (Director) Sumona Chakraborty (Director) w.e.f. August 24, 2023 Jayant Prakash (Company Secretary) appointed w.e.f 03 January 2022 CV Ram (Chief Financial Officer) appointed w.e.f 31 January 2023 Sandhya Gadkari Sharma (Independent Director) w.e.f. 25 August 2023 Rajesh Shashikant Dalal (Independent Director) w.e.f. 25 August 2023 Vasudevan Sujesh (Independent Director) w.e.f. 25 August 2023
<b>Other Related Parties</b>	Medmate Pharma Private Limited (formerly known as Getwell Enterprises Private Limited) Getwell Pharmaceuticals Novacare Drug Specialities Private Limited

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**B. Details of related party transactions:**

Nature of Transaction	Name of the related party	For the Period ended 30 September 2023	For the Period ended 30 September 2022	For the Year ended 31 March 2023	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Purchase of Stock-in-trade	Medmate Pharma Private Limited (formerly known as Getwell Enterprises Private Limited)	-	-	-	-	4.45
Remuneration Paid	Prabhat Agrawal	15.80	13.14	34.53	31.20	28.78
	Prem Sethi	8.61	7.49	19.10	15.78	12.88
	Jayant Prakash	2.35	1.90	4.13	1.58	-
	CV Ram	7.69	-	3.60	-	-
Consultancy	Getwell Pharmaceuticals	-	-	-	2.40	2.40
Director Sitting fees	Sandhya Gadkari Sharma	0.18	-	-	-	-
	Rajesh Shashikant Dalal	0.23	-	-	-	-
	Vasudevan Sujesh	0.23	-	-	-	-

**C. Details of balances outstanding for related party transactions:**

Nature of Transaction	Name of the related party	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Loans & Advances Given	Novacare Drug Specialities Private Limited	-	-	-	5.20	5.20
Other Current liabilities	Novacare Drug Specialities Private Limited	-	-	-	-	0.02

**D. Key Management Personnel compensation:**

Particulars	As at 30 September 2023	As at 30 September 2022	For the Year ended 31 March 2023	For the Year ended 31 March 2022	For the Year ended 31 March 2021
<u>Key Management Personnel compensation:</u>					
Salaries and Allowances	34.45	22.53	61.36	48.56	41.66
Director Sitting Fees	0.63	-	-	-	-

Key managerial personnel who are under the employment of the Group are entitled to post employment benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are amounts provided on the basis of actuarial valuation, the same is not included above. Gratuity has been computed for The Group as a whole and hence excluded.

E. The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

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**F. Details of Related Party transactions eliminated during the period/year while preparing the restated consolidated financial information**

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>1 Entero Healthcare Solutions Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Novacare Healthcare Solutions Private Limited	263.90	1.23	13.83	8.26	3.00
G.S.Pharmaceutical Distributors Private Limited	(0.07)	2.21	2.57	3.26	-
Chhabra Healthcare Solutions Private Limited	3.72	3.11	3.14	8.77	29.04
Galaxystar Pharma Distributors Private Limited	78.80	15.07	23.21	9.75	-
Jaggi Enterprises Private Limited	(0.04)	0.35	0.18	2.04	0.02
Millennium Medisolutions Private Limited	5.52	18.19	33.25	62.15	21.42
Calcutta Medisolutions Private Limited	2.06	0.75	1.65	1.79	-
Curever Pharma Private Limited	1.78	(0.08)	1.84	0.93	-
Atreja Healthcare Solutions Private Limited	4.57	2.05	5.50	0.78	-
Getwell Medicare Solution Private Limited	0.02	-	0.24	-	-
Avenues Pharma Distributors Private Limited	-	-	0.01	-	-
Rada Medisolutions Private Limited	0.53	-	0.29	-	-
Sesha Balajee Medisolutions Private Ltd	1.17	0.54	0.50	-	-
Barros Enterprises Private Limited	0.73	0.17	1.07	-	-
Sree Venkateshwara Medisolutions Private Limited	0.28	-	0.17	-	-
SVS Lifesciences Private Limited	8.13	-	0.58	-	-
Saurashtra Medisolutions Private Limited	0.04	-	-	-	-
Vasavi Medicare Solutions Private Limited	0.00	-	-	-	-
<b>Sale of Goods (net of returns)</b>					
Novacare Healthcare Solutions Private Limited	104.02	(28.83)	79.12	93.56	151.19
G.S.Pharmaceutical Distributors Private Limited	15.02	(3.63)	(2.73)	6.30	2.90
R S M Pharma Private Limited	16.86	-	-	0.08	2.44
Getwell Medicare Solution Private Limited	60.43	98.12	195.16	3.05	21.52
Sundarlal Pharma Distributors Private Limited	0.01	(0.04)	(0.04)	0.11	(0.24)
Chhabra Healthcare Solutions Private Limited	7.62	(2.09)	(1.39)	2.19	4.13
Galaxystar Pharma Distributors Private Limited	9.89	(0.35)	0.37	0.50	0.51
Avenues Pharma Distributors Private Limited	16.20	1.03	1.77	2.20	1.45
Chirag Medicare Solutions Private Limited	11.37	0.39	1.60	0.18	0.14
Jaggi Enterprises Private Limited	3.32	(2.48)	(1.39)	7.22	6.69
Vasavi Medicare Solutions Private Limited	8.89	(1.27)	(1.09)	0.29	1.83
SVMED Solutions Private Limited	11.90	0.69	2.81	5.54	9.49
Chethana Pharma Private Limited	9.93	0.01	0.63	-	0.04
Millennium Medisolutions Private Limited	9.68	9.01	10.00	7.13	5.12
Rada Medisolutions Private Limited	5.74	2.01	0.71	5.56	5.77
Sesha Balajee Medisolutions Private Ltd	3.35	(0.25)	(1.17)	1.63	2.37
Barros Enterprises Private Limited	1.86	1.01	1.74	2.24	2.39
Chethana Pharma Distributors Private Limited	1.72	-	0.22	-	-
Sree Venkateshwara Medisolutions Private Limited	5.22	(1.84)	(2.14)	1.08	2.70
CPD Pharma Private Limited	0.21	(0.15)	(0.15)	-	-
Calcutta Medisolutions Private Limited	4.71	0.03	0.19	-	-
Curever Pharma Private Limited	(0.98)	4.54	0.71	6.16	-
Western Healthcare Solutions Private Limited	2.38	0.03	0.33	0.30	-
Atreja Healthcare Solutions Private Limited	0.42	0.29	1.11	0.53	-
City Pharma Distributors Private Limited	0.86	0.26	0.31	0.20	-
Swami Medisolutions Private Limited	0.77	-	0.50	-	-
New Siva Agencies Private Limited	0.07	1.24	1.24	0.43	-
New RRPD Private Limited	0.10	1.05	1.24	-	-
Sri parshva Pharma Distributors private limited	9.55	-	4.65	-	-
SVS Lifesciences Private Limited	1.36	-	0.76	-	-
Saurashtra Medisolutions Private Limited	0.60	1.00	1.26	-	-
S.S. Pharma Traders Private Limited	4.85	(0.00)	2.02	-	-
Chethana Healthcare Solutions Private Limited	3.81	-	-	-	-
Sri Rama Pharmaceutical Distributors Private Limited	-	-	-	-	-
Entero R.S. Enterprises Private Limited	0.12	-	-	-	-
<b>Commission Expenses</b>					
Novacare Healthcare Solutions Private Limited	5.64	5.48	12.44	5.86	-
<b>Commission Income</b>					
Curever Pharma Private Limited	-	-	0.46	2.64	-
<b>Rent Income</b>					
SVMED Solutions Private Limited	0.34	0.32	0.63	0.61	-
Quomed Life Sciences Private Limited	-	0.01	0.01	0.01	-
Rimedio Pharma Private Limited	-	0.01	0.01	0.01	-
Millennium Medisolutions Private Limited	1.14	1.10	2.20	-	-
Curever Pharma Private Limited	-	0.86	1.73	1.73	-
<b>Interest Income</b>					
Novacare Healthcare Solutions Private Limited	15.59	14.64	29.02	21.68	17.35
G.S.Pharmaceutical Distributors Private Limited	8.00	8.22	15.76	7.94	5.61
R S M Pharma Private Limited	8.00	7.29	14.80	13.89	12.37
Galaxystar Pharma Distributors Private Limited	3.78	4.08	7.72	6.99	11.63
Sundarlal Pharma Distributors Private Limited	6.07	5.19	10.35	6.42	7.65

**Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)**

**Annexure V - Notes to Restated Consolidated Financial Information**

(₹ in million, unless otherwise stated)

**F. Details of Related Party transactions eliminated during the period/year while preparing the restated consolidated financial information**

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Chhabra Healthcare Solutions Private Limited	7.26	5.66	12.35	6.48	6.62
Getwell Medicare Solution Private Limited	3.35	6.92	13.40	7.50	10.12
Avenues Pharma Distributors Private Limited	22.36	21.45	43.64	25.64	24.01
Barros Enterprises Private Limited	4.26	5.07	9.93	8.01	10.80
Chethana Healthcare Solutions Private Limited	2.91	4.09	7.80	5.02	4.87
Chethana Pharma Private Limited	1.12	5.12	8.09	7.96	16.37
Chirag Medicare Solutions Private Limited	1.54	5.45	9.11	7.97	8.65
Jaggi Enterprises Private Limited	10.37	10.30	20.53	12.38	15.96
Millennium Medisolutions Private Limited	16.11	14.12	29.35	15.22	15.25
Rada Medisolutions Private Limited	4.73	7.18	13.30	7.51	6.81
Sesha Balajee Medisolutions Private Ltd	9.87	8.13	16.39	9.83	9.45
S.S. Pharma Traders Private Limited	11.40	0.74	9.43	-	-
Saurashtra Medisolutions Private Limited	6.75	3.14	9.50	-	-
SVS Lifesciences Private Limited	4.97	1.63	5.66	-	-
SVMED Solutions Private Limited	10.71	7.56	15.93	8.58	9.59
Vasavi Medicare Solutions Private Limited	9.49	7.35	14.94	9.00	10.02
Calcutta Medisolutions Private Limited	2.45	1.77	3.97	0.90	0.02
Curever Pharma Private Limited	23.14	8.30	25.25	11.31	0.02
Sree Venkateshwara Medisolutions Private Limited	3.87	2.58	5.89	2.29	0.71
Chethana Pharma Distributors Private Limited	0.99	0.72	1.52	0.85	0.41
CPD Pharma Private Limited	1.84	1.33	2.87	1.56	0.02
Western Healthcare Solutions Private Limited	8.85	9.53	19.17	12.45	-
Atreja Healthcare Solutions Private Limited	2.97	2.57	5.46	1.97	-
City Pharma Distributors Private Limited	2.39	2.35	4.73	1.22	-
Swami Medisolutions Private Limited	4.59	4.14	8.61	1.16	-
New Siva Agencies Private Limited	3.04	4.30	8.57	1.53	-
New RRPD Private Limited	2.43	3.87	7.71	1.15	-
Sri Rama Pharmaceutical Distributors Private Limited	38.40	13.35	38.27	0.47	-
Sri parshva Pharma Distributors private limited	23.82	14.48	29.79	4.90	-
<b>Loans Given</b>					
Novacare Healthcare Solutions Private Limited	60.00	5.50	5.50	180.00	239.90
G.S.Pharmaceutical Distributors Private Limited	14.50	3.00	-	55.50	70.19
R S M Pharma Private Limited	41.59	5.00	0.02	34.00	164.12
Galaxystar Pharma Distributors Private Limited	15.00	-	-	16.00	87.69
Sundarlal Pharma Distributors Private Limited	15.27	-	-	5.00	79.62
Getwell Medicare Solution Private Limited	5.00	-	-	20.00	106.13
Avenues Pharma Distributors Private Limited	-	20.00	22.00	10.00	311.10
Chethana Healthcare Solutions Private Limited	-	-	-	3.00	62.70
Atreja Healthcare Solutions Private Limited	-	6.50	9.50	36.10	-
City Pharma Distributors Private Limited	-	2.00	2.00	34.70	-
New RRPD Private Limited	-	-	-	59.30	-
New Siva Agencies Private Limited	-	-	-	65.90	-
Sri parshva Pharma Distributors private limited	8.37	-	124.60	547.09	-
Sri Rama Pharmaceutical Distributors Private Limited	188.30	233.95	354.90	122.03	-
S.S. Pharma Traders Private Limited	58.60	116.04	136.54	-	-
Saurashtra Medisolutions Private Limited	-	97.50	101.30	-	-
Barros Enterprises Private Limited	-	-	-	-	126.53
Swami Medisolutions Private Limited	-	5.45	8.15	62.30	-
Western Healthcare Solutions Private Limited	14.75	15.00	-	187.50	-
Chethana Pharma Private Limited	20.00	-	-	10.00	99.15
Chirag Medicare Solutions Private Limited	20.00	-	-	10.00	110.58
Jaggi Enterprises Private Limited	5.00	-	-	5.00	153.07
Millennium Medisolutions Private Limited	25.00	35.00	35.00	30.00	169.98
Rada Medisolutions Private Limited	9.67	18.50	-	6.00	90.90
Sesha Balajee Medisolutions Private Ltd	32.60	3.00	3.00	13.10	143.75
SVMED Solutions Private Limited	58.44	7.72	28.72	53.70	138.58
SVS Lifesciences Private Limited	24.40	62.00	65.00	-	-
Vasavi Medicare Solutions Private Limited	47.05	1.00	6.50	14.50	131.28
Calcutta Medisolutions Private Limited	2.50	15.50	18.00	10.64	6.76
Curever Pharma Private Limited	-	39.20	250.90	287.40	8.00
Sree Venkateshwara Medisolutions Private Limited	2.70	11.00	22.50	10.40	24.95
Chethana Pharma Distributors Private Limited	0.50	-	4.00	0.50	10.50
Chhabra Healthcare Solutions Private Limited	-	15.50	29.00	81.00	80.94
CPD Pharma Private Limited	-	-	7.79	9.49	10.95
<b>Loans Repayment received</b>					
Novacare Healthcare Solutions Private Limited	-	-	-	203.95	-
G.S.Pharmaceutical Distributors Private Limited	-	-	7.68	-	-
R S M Pharma Private Limited	-	-	-	86.06	-
Galaxystar Pharma Distributors Private Limited	-	16.90	16.90	31.25	-
Sundarlal Pharma Distributors Private Limited	-	-	-	5.00	-
Getwell Medicare Solution Private Limited	-	-	38.00	20.00	-
Chethana Healthcare Solutions Private Limited	-	-	18.00	3.00	-
Sri parshva Pharma Distributors private limited	-	23.50	-	303.41	-
Barros Enterprises Private Limited	5.38	5.00	12.50	45.00	-



Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

F. Details of Related Party transactions eliminated during the period/year while preparing the restated consolidated financial information

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Western Healthcare Solutions Private Limited	-	-	9.80	50.00	-
Chethana Pharma Private Limited	-	30.00	84.00	10.00	-
Chirag Medicare Solutions Private Limited	-	10.00	69.00	30.00	-
Jaggi Enterprises Private Limited	-	-	1.00	-	-
Rada Medisolutions Private Limited	-	-	30.55	1.00	-
Sesha Balajee Medisolutions Private Ltd	-	-	-	32.49	-
SVMED Solutions Private Limited	-	-	-	84.69	-
Vasavi Medicare Solutions Private Limited	-	-	-	33.73	-
Curever Pharma Private Limited	-	-	-	191.20	-
Chhabra Healthcare Solutions Private Limited	2.56	-	-	-	-
New RRPD Private Limited	34.20	-	-	-	-
New Siva Agencies Private Limited	32.20	-	-	-	-
Saurashtra Medisolutions Private Limited	2.45	-	-	-	-
<b>Reimbursement of expenses</b>					
Avenues Pharma Distributors Private Limited	-	-	1.73	-	-
Barros Enterprises Private Limited	-	-	0.10	-	-
Chethana Healthcare Solutions Private Limited	-	-	0.10	-	-
Chethana Pharma Private Limited	-	-	0.10	-	-
Chirag Medicare Solutions Private Limited	-	-	0.10	-	-
Galaxystar Pharma Distributors Private Limited	-	-	3.84	-	-
Getwell Medicare Solution Private Limited	-	-	2.94	-	-
R S M Pharma Private Limited	-	-	3.04	-	-
Sesha Balajee Medisolutions Private Ltd	-	-	0.10	-	-
Sri parshva Pharma Distributors private limited	-	-	0.10	-	-
S.S. Pharma Traders Private Limited	-	-	0.64	-	-
SVMED Solutions Private Limited	-	-	1.81	-	-
SVS Lifesciences Private Limited	-	-	1.23	-	-
Vasavi Medicare Solutions Private Limited	-	-	0.10	-	-
Western Healthcare Solutions Private Limited	-	-	0.90	-	-
<b>Corporate Guarantees Given</b>					
Novacare Healthcare Solutions Private Limited	560.00	500.00	500.00	500.00	500.00
Getwell Medicare Solution Private Limited	250.00	150.00	250.00	150.00	150.00
Avenues Pharma Distributors Private Limited	350.00	350.00	350.00	350.00	300.00
Chethana Healthcare Solutions Private Limited	50.00	50.00	50.00	50.00	50.00
Chirag Medicare Solutions Private Limited	150.00	150.00	150.00	150.00	150.00
R S M Pharma Private Limited	250.00	250.00	250.00	250.00	150.00
G.S.Pharmaceutical Distributors Private Limited	140.00	80.00	120.00	80.00	80.00
Chhabra Healthcare Solutions Private Limited	100.00	50.00	50.00	50.00	50.00
Sundarlal Pharma Distributors Private Limited	-	70.00	70.00	70.00	70.00
Galaxystar Pharma Distributors Private Limited	180.00	150.00	150.00	150.00	100.00
SVMED Solutions Private Limited	100.00	150.00	150.00	150.00	-
Vasavi Medicare Solutions Private Limited	75.00	150.00	150.00	150.00	-
Rada Medisolutions Private Limited	100.00	-	100.00	-	-
Barros Enterprises Private Limited	67.00	67.00	67.00	67.00	-
Sesha Balajee Medisolutions Private Ltd	75.00	150.00	150.00	150.00	-
Jaggi Enterprises Private Limited	120.00	120.00	120.00	120.00	100.00
Western Healthcare Solutions Private Limited	100.00	80.00	80.00	80.00	-
Chethana Pharma Private Limited	150.00	150.00	150.00	150.00	150.00
Sri Rama Pharmaceutical Distributors Private Limited	320.00	226.62	158.64	226.62	-
Sri parshva Pharma Distributors private limited	400.00	326.91	228.84	547.33	-
Millennium Medisolutions Private Limited	170.00	150.00	150.00	150.00	100.00
Curever Pharma Private Limited	-	200.00	-	200.00	-
New RRPD Private Limited	50.00	-	-	-	-
New Siva Agencies Private Limited	50.00	-	-	-	-
Saurashtra Medisolutions Private Limited	40.00	-	-	-	-
SVS Lifesciences Private Limited	40.00	-	-	-	-
S.S. Pharma Traders Private Limited	70.00	-	-	-	-
<b>2 Novacare Healthcare Solutions Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	104.02	(28.83)	79.12	93.56	151.19
G.S.Pharmaceutical Distributors Private Limited	0.11	0.25	0.24	0.73	0.32
R S M Pharma Private Limited	-	0.01	0.01	-	0.14
Getwell Medicare Solution Private Limited	2.21	0.27	1.44	1.15	0.28
Sundarlal Pharma Distributors Private Limited	-	-	-	-	0.03
Chhabra Healthcare Solutions Private Limited	-	(0.11)	(0.11)	(0.58)	0.27
Galaxystar Pharma Distributors Private Limited	(0.00)	0.10	0.19	0.45	15.37
Avenues Pharma Distributors Private Limited	(0.03)	0.05	0.06	0.77	2.69
Jaggi Enterprises Private Limited	10.09	1.64	2.01	0.52	4.14
Millennium Medisolutions Private Limited	1.53	0.91	3.08	0.84	0.10
Rada Medisolutions Private Limited	-	0.02	0.02	0.12	-
SVMED Solutions Private Limited	-	-	0.34	-	-
Sri parshva Pharma Distributors private limited	3.68	-	0.07	-	-
SVS Lifesciences Private Limited	0.12	-	0.04	-	-

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

F. Details of Related Party transactions eliminated during the period/year while preparing the restated consolidated financial information

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Sale of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	263.90	1.23	13.83	8.26	3.00
G.S.Pharmaceutical Distributors Private Limited	(0.01)	0.23	0.20	3.75	3.34
R S M Pharma Private Limited	1.48	(0.27)	(0.27)	0.05	0.10
Getwell Medicare Solution Private Limited	31.77	15.40	41.68	9.78	0.55
Chhabra Healthcare Solutions Private Limited	0.15	(1.46)	(1.61)	-	-
Avenues Pharma Distributors Private Limited	1.32	0.16	0.41	0.62	2.25
Chirag Medicare Solutions Private Limited	1.39	0.37	0.53	-	-
Jaggi Enterprises Private Limited	0.01	(1.00)	(1.11)	0.03	-
Chethana Healthcare Solutions Private Limited	0.26	-	0.06	-	-
Vasavi Medicare Solutions Private Limited	-	(0.07)	(0.07)	-	0.39
SVMED Solutions Private Limited	1.05	0.07	0.74	9.03	0.62
Chethana Pharma Private Limited	1.21	0.68	0.88	-	0.01
Millennium Medisolutions Private Limited	1.08	0.30	0.47	0.71	-
Rada Medisolutions Private Limited	0.32	(0.12)	(0.06)	0.93	0.06
Sesha Balajee Medisolutions Private Ltd	0.36	0.82	1.25	0.87	0.30
Barros Enterprises Private Limited	0.36	0.39	0.70	0.12	-
CPD Pharma Private Limited	-	(0.24)	(0.24)	-	-
Atreja Healthcare Solutions Private Limited	0.09	0.04	0.40	-	-
City Pharma Distributors Private Limited	-	0.06	(0.27)	-	-
Swami Medisolutions Private Limited	1.04	-	1.65	-	-
Sri parshva Pharma Distributors private limited	2.89	0.18	2.64	-	-
SVS Lifesciences Private Limited	0.24	-	0.91	-	-
Saurashtra Medisolutions Private Limited	0.51	-	1.01	-	-
S.S. Pharma Traders Private Limited	(0.33)	-	0.50	-	-
<b>Reimbursement of expenses</b>					
Jaggi Enterprises Private Limited	0.86	0.84	1.24	1.00	-
Curever Pharma Private Limited	-	-	0.35	3.14	-
<b>Commission Income</b>					
Entero Healthcare Solutions Limited	5.64	5.48	12.44	5.86	-
Curever Pharma Private Limited	-	-	0.53	1.07	-
<b>Rent Income</b>					
Curever Pharma Private Limited	-	-	0.21	0.17	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	60.00	5.50	5.50	180.00	239.90
<b>Loans Repaid</b>					
Entero Healthcare Solutions Limited	-	-	-	203.95	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	15.59	14.64	29.02	21.68	17.35
<b>Corporate Guarantees Taken</b>					
Novacare Healthcare Solutions Private Limited	560.00	500.00	500.00	500.00	500.00

3 G.S.Pharmaceutical Distributors Private Limited

<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	15.02	(3.63)	(2.73)	6.30	2.90
Novacare Healthcare Solutions Private Limited	(0.01)	0.23	0.20	3.75	3.34
Sundarlal Pharma Distributors Private Limited	-	5.46	9.27	18.82	20.77
Galaxystar Pharma Distributors Private Limited	73.80	25.32	59.32	65.00	42.72
Avenues Pharma Distributors Private Limited	(0.01)	-	0.19	2.10	(0.62)
Jaggi Enterprises Private Limited	-	(0.00)	-	-	(0.02)
Millennium Medisolutions Private Limited	0.04	-	-	0.07	-
Barros Enterprises Private Limited	-	0.14	2.26	0.59	-
Curever Pharma Private Limited	-	-	0.02	4.53	-
Chhabra Healthcare Solutions Private Limited	3.22	(0.01)	2.33	-	6.67
SVMED Solutions Private Limited	(0.05)	1.23	0.95	-	31.85
Rada Medisolutions Private Limited	0.65	-	3.02	-	-
Sree Venkateshwara Medisolutions Private Limited	4.48	-	3.65	-	-
Saurashtra Medisolutions Private Limited	1.61	-	0.41	-	-
Vasavi Medicare Solutions Private Limited	0.17	-	-	-	-
Sri parshva Pharma Distributors private limited	1.23	-	-	-	-
<b>Sale of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	(0.07)	2.21	2.57	3.26	-
Novacare Healthcare Solutions Private Limited	0.11	0.25	0.24	0.73	0.32
R S M Pharma Private Limited	(0.01)	0.45	1.45	0.47	1.09
Getwell Medicare Solution Private Limited	-	-	-	-	0.11
Sundarlal Pharma Distributors Private Limited	-	0.60	0.49	5.15	5.44
Chhabra Healthcare Solutions Private Limited	-	-	0.69	0.50	0.04
Galaxystar Pharma Distributors Private Limited	0.25	9.22	9.88	21.34	20.36
Avenues Pharma Distributors Private Limited	-	-	0.93	0.14	0.02
Chirag Medicare Solutions Private Limited	0.59	0.25	0.83	-	-
Jaggi Enterprises Private Limited	-	-	0.20	-	-

**Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)**

**Annexure V - Notes to Restated Consolidated Financial Information**

(₹ in million, unless otherwise stated)

**F. Details of Related Party transactions eliminated during the period/year while preparing the restated consolidated financial information**

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Vasavi Medicare Solutions Private Limited	-	-	0.49	-	0.30
SVMED Solutions Private Limited	-	0.26	0.73	-	0.04
Chethana Pharma Private Limited	0.64	0.58	1.16	0.11	-
Millennium Medisolutions Private Limited	(0.05)	0.12	1.71	-	0.18
Rada Medisolutions Private Limited	-	-	0.70	-	0.12
Sesha Balajee Medisolutions Private Ltd	-	0.11	0.11	-	-
Barros Enterprises Private Limited	0.54	4.54	6.50	6.29	2.67
Calcutta Medisolutions Private Limited	-	0.12	0.73	-	-
City Pharma Distributors Private Limited	-	-	0.02	-	-
Saurashtra Medisolutions Private Limited	0.19	-	0.61	-	-
Sree Venkateshwara Medisolutions Private Limited	-	0.06	-	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	8.00	8.22	15.76	7.94	5.61
<b>Loan Taken</b>					
Entero Healthcare Solutions Limited	14.50	3.00	-	55.50	70.19
<b>Loan Repayment</b>					
Entero Healthcare Solutions Limited	-	-	7.68	-	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	140.00	80.00	120.00	80.00	80.00
<b>4 R S M Pharma Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	16.86	-	-	0.08	2.44
Novacare Healthcare Solutions Private Limited	1.48	(0.27)	(0.27)	0.05	0.10
G.S.Pharmaceutical Distributors Private Limited	(0.01)	0.45	1.45	0.47	1.09
Chhabra Healthcare Solutions Private Limited	0.97	-	2.71	0.07	-
Galaxystar Pharma Distributors Private Limited	13.17	4.48	11.82	8.92	4.03
Avenues Pharma Distributors Private Limited	45.43	31.10	65.21	79.20	61.53
Barros Enterprises Private Limited	-	0.10	0.10	0.03	-
Curever Pharma Private Limited	-	-	-	0.98	-
Sri parshva Pharma Distributors private limited	3.60	4.01	8.37	0.20	-
Sundarlal Pharma Distributors Private Limited	-	-	-	-	(0.02)
Chirag Medicare Solutions Private Limited	-	-	-	-	0.01
Vasavi Medicare Solutions Private Limited	0.13	-	-	-	0.01
Millennium Medisolutions Private Limited	0.22	-	-	-	0.04
Rada Medisolutions Private Limited	0.52	-	2.05	-	-
Sesha Balajee Medisolutions Private Ltd	-	0.11	0.11	-	-
Sree Venkateshwara Medisolutions Private Limited	4.18	-	2.54	-	-
Atreja Healthcare Solutions Private Limited	-	-	0.05	-	-
Saurashtra Medisolutions Private Limited	0.99	-	-	-	-
<b>Sale of Goods (net of returns)</b>					
Novacare Healthcare Solutions Private Limited	-	0.01	0.01	-	0.14
Sundarlal Pharma Distributors Private Limited	-	-	-	-	(0.07)
Galaxystar Pharma Distributors Private Limited	-	-	-	-	(0.13)
Avenues Pharma Distributors Private Limited	46.22	62.35	110.79	80.34	57.54
Chirag Medicare Solutions Private Limited	0.00	-	-	-	0.01
Jaggi Enterprises Private Limited	-	-	-	(0.03)	(0.02)
SVMED Solutions Private Limited	-	-	0.04	-	1.52
Sesha Balajee Medisolutions Private Ltd	0.54	-	0.43	-	0.08
Barros Enterprises Private Limited	(0.01)	(0.00)	3.32	(0.01)	0.22
Sree Venkateshwara Medisolutions Private Limited	(0.14)	0.55	0.41	1.62	0.80
City Pharma Distributors Private Limited	9.05	3.79	9.92	-	-
Sri parshva Pharma Distributors private limited	1.13	1.04	2.17	-	-
Getwell Medicare Solution Private Limited	5.90	-	-	-	-
G.S.Pharmaceutical Distributors Private Limited	-	(0.00)	-	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	8.00	7.29	14.80	13.89	12.37
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	41.59	5.00	0.02	34.00	164.12
<b>Loans Repaid</b>					
Entero Healthcare Solutions Limited	-	-	-	86.06	-
<b>Reimbursement of expenses</b>					
Entero Healthcare Solutions Limited	-	-	3.04	-	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	250.00	250.00	250.00	250.00	150.00
<b>5 Getwell Medicare Solution Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	60.43	98.12	195.16	3.05	21.52

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

F. Details of Related Party transactions eliminated during the period/year while preparing the restated consolidated financial information

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Novacare Healthcare Solutions Private Limited	31.77	15.40	41.68	9.78	0.55
Vasavi Medicare Solutions Private Limited	-	0.00	0.16	2.27	1.52
Barros Enterprises Private Limited	0.19	3.01	5.10	0.71	-
Curever Pharma Private Limited	(0.02)	(1.20)	(1.74)	5.14	-
G.S.Pharmaceutical Distributors Private Limited	-	-	-	-	0.11
R S M Pharma Private Limited	5.90	-	-	-	-
Avenues Pharma Distributors Private Limited	0.52	-	-	-	-
Sri parshva Pharma Distributors private limited	0.76	-	-	-	-
<b>Sale of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	0.02	-	0.24	-	-
Novacare Healthcare Solutions Private Limited	2.21	0.27	1.44	1.15	0.28
Avenues Pharma Distributors Private Limited	-	-	-	-	0.47
Jaggi Enterprises Private Limited	-	0.41	0.62	0.82	0.52
Barros Enterprises Private Limited	0.05	-	0.98	0.31	-
Western Healthcare Solutions Private Limited	0.81	0.64	0.96	0.26	-
Saurashtra Medisolutions Private Limited	-	-	0.99	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	3.35	6.92	13.40	7.50	10.12
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	5.00	-	-	20.00	106.13
<b>Loans Repaid</b>					
Entero Healthcare Solutions Limited	-	-	38.00	20.00	-
<b>Reimbursement of expenses</b>					
Entero Healthcare Solutions Limited	-	-	2.94	-	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	250.00	150.00	250.00	150.00	150.00
<b>6 Sundarlal Pharma Distributors Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	0.01	(0.04)	(0.04)	0.11	(0.24)
G.S.Pharmaceutical Distributors Private Limited	-	0.60	0.49	5.15	5.44
Galaxystar Pharma Distributors Private Limited	3.87	10.83	10.72	101.74	49.92
Chirag Medicare Solutions Private Limited	-	-	-	-	(0.01)
SVMED Solutions Private Limited	-	(0.02)	-	6.53	14.29
R S M Pharma Private Limited	-	-	-	-	(0.07)
Avenues Pharma Distributors Private Limited	-	-	-	-	0.61
Jaggi Enterprises Private Limited	-	-	-	-	(0.10)
Chethana Pharma Private Limited	-	-	-	-	(0.01)
Chhabra Healthcare Solutions Private Limited	-	-	0.09	-	-
<b>Sale of Goods (net of returns)</b>					
Novacare Healthcare Solutions Private Limited	-	-	-	-	0.03
G.S.Pharmaceutical Distributors Private Limited	-	5.46	9.27	18.82	20.77
R S M Pharma Private Limited	-	-	-	-	(0.02)
Chhabra Healthcare Solutions Private Limited	-	-	-	(0.03)	2.40
Galaxystar Pharma Distributors Private Limited	168.91	79.94	205.58	129.69	87.53
Jaggi Enterprises Private Limited	-	-	-	-	0.25
SVMED Solutions Private Limited	-	-	-	0.44	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	6.07	5.19	10.35	6.42	7.65
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	15.27	-	-	5.00	79.62
<b>Loans Repaid</b>					
Entero Healthcare Solutions Limited	-	-	-	5.00	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	-	70.00	70.00	70.00	70.00
<b>7 Chhabra Healthcare Solutions Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	7.62	(2.09)	(1.39)	2.19	4.13
G.S.Pharmaceutical Distributors Private Limited	-	-	0.69	0.50	0.04
Sundarlal Pharma Distributors Private Limited	-	-	-	(0.03)	2.40
Galaxystar Pharma Distributors Private Limited	2.79	-	2.36	0.36	-
Jaggi Enterprises Private Limited	0.73	(0.01)	-	8.97	11.99
Millennium Medisolutions Private Limited	8.24	13.36	20.97	30.98	34.07
Sesha Balajee Medisolutions Private Ltd	-	-	-	0.25	-
Barros Enterprises Private Limited	0.10	0.08	-	0.15	-
Curever Pharma Private Limited	-	-	-	2.43	-
Novacare Healthcare Solutions Private Limited	0.15	(1.46)	(1.61)	-	-
Avenues Pharma Distributors Private Limited	-	-	0.02	-	-
Rada Medisolutions Private Limited	0.14	-	0.99	-	-

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

F. Details of Related Party transactions eliminated during the period/year while preparing the restated consolidated financial information

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Sree Venkateshwara Medisolutions Private Limited	1.50	-	1.15	-	-
Atreja Healthcare Solutions Private Limited	-	0.04	0.04	-	-
Saurashtra Medisolutions Private Limited	0.29	-	0.09	-	-
Vasavi Medicare Solutions Private Limited	0.04	-	-	-	-
<b>Sale of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	3.72	3.11	3.14	8.77	29.04
Novacare Healthcare Solutions Private Limited	-	(0.11)	(0.11)	(0.58)	0.27
G.S.Pharmaceutical Distributors Private Limited	3.22	(0.01)	2.33	-	6.67
R S M Pharma Private Limited	0.97	-	2.71	0.07	-
Sundarlal Pharma Distributors Private Limited	-	-	0.09	-	-
Galaxystar Pharma Distributors Private Limited	2.34	-	2.33	0.07	-
Avenues Pharma Distributors Private Limited	3.70	-	2.88	-	-
Chirag Medicare Solutions Private Limited	-	-	0.14	-	-
Jaggi Enterprises Private Limited	0.87	(0.00)	0.03	2.27	8.45
Vasavi Medicare Solutions Private Limited	0.13	-	1.10	-	-
SVMED Solutions Private Limited	-	-	1.22	-	0.19
Millennium Medisolutions Private Limited	2.30	8.10	23.09	27.07	29.81
Rada Medisolutions Private Limited	0.38	(0.01)	1.14	0.23	1.87
Barros Enterprises Private Limited	-	0.06	0.06	0.15	-
Chethana Pharma Distributors Private Limited	0.05	-	0.13	-	-
Calcutta Medisolutions Private Limited	0.33	-	0.48	0.04	-
City Pharma Distributors Private Limited	0.10	-	0.05	-	-
SVS Lifesciences Private Limited	-	-	0.55	-	-
Sree Venkateshwara Medisolutions Private Limited	0.31	-	-	-	-
Swami Medisolutions Private Limited	1.80	-	-	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	7.26	5.66	12.35	6.48	6.62
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	-	15.50	29.00	81.00	80.94
<b>Loans Repaid</b>					
Entero Healthcare Solutions Limited	2.56	-	-	-	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	100.00	50.00	50.00	50.00	50.00
<b>8 Galaxystar Pharma Distributors Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	9.89	(0.35)	0.37	0.50	0.51
G.S.Pharmaceutical Distributors Private Limited	0.25	9.22	9.88	21.34	20.36
Sundarlal Pharma Distributors Private Limited	168.91	79.94	205.58	129.69	87.53
Chhabra Healthcare Solutions Private Limited	2.34	-	2.33	0.07	-
Avenues Pharma Distributors Private Limited	-	0.10	0.42	0.48	-
SVMED Solutions Private Limited	(0.94)	6.88	15.93	1.25	21.94
Barros Enterprises Private Limited	0.08	0.07	0.36	0.57	-
Curever Pharma Private Limited	-	-	-	1.62	-
Atreja Healthcare Solutions Private Limited	-	0.45	0.45	1.01	-
R S M Pharma Private Limited	-	-	-	-	(0.13)
Rada Medisolutions Private Limited	0.25	-	1.85	-	-
Sree Venkateshwara Medisolutions Private Limited	4.68	-	0.47	-	-
Saurashtra Medisolutions Private Limited	1.66	-	0.22	-	-
Vasavi Medicare Solutions Private Limited	0.16	-	-	-	-
Sri parshva Pharma Distributors private limited	1.08	-	-	-	-
<b>Sale of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	78.80	15.07	23.21	9.75	-
Novacare Healthcare Solutions Private Limited	(0.00)	0.10	0.19	0.45	15.37
G.S.Pharmaceutical Distributors Private Limited	73.80	25.32	59.32	65.00	42.72
R S M Pharma Private Limited	13.17	4.48	11.82	8.92	4.03
Sundarlal Pharma Distributors Private Limited	3.87	10.83	10.72	101.74	49.92
Chhabra Healthcare Solutions Private Limited	2.79	-	2.36	0.36	-
Avenues Pharma Distributors Private Limited	14.51	-	1.16	0.37	-
Chirag Medicare Solutions Private Limited	-	-	-	0.10	-
Vasavi Medicare Solutions Private Limited	2.56	(0.05)	0.36	1.38	(0.02)
SVMED Solutions Private Limited	1.62	0.31	1.67	2.59	-
Millennium Medisolutions Private Limited	6.34	1.65	3.88	2.20	-
Rada Medisolutions Private Limited	2.58	0.10	0.53	0.58	-
Sesha Balajee Medisolutions Private Ltd	-	-	-	0.11	-
Barros Enterprises Private Limited	6.50	6.88	14.19	10.12	-
Chethana Pharma Distributors Private Limited	3.44	0.11	1.36	-	-
Sree Venkateshwara Medisolutions Private Limited	2.39	-	1.40	0.16	-
Calcutta Medisolutions Private Limited	9.28	8.20	17.73	1.16	-
Atreja Healthcare Solutions Private Limited	2.61	-	-	0.20	-
SVS Lifesciences Private Limited	0.01	-	1.40	-	-

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

F. Details of Related Party transactions eliminated during the period/year while preparing the restated consolidated financial information

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Saurashtra Medisolutions Private Limited	0.63	2.67	5.07	-	-
Jaggi Enterprises Private Limited	1.92	-	-	-	-
City Pharma Distributors Private Limited	0.41	-	-	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	3.78	4.08	7.72	6.99	11.63
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	15.00	-	-	16.00	87.69
<b>Loans Repaid</b>					
Entero Healthcare Solutions Limited	-	16.90	16.90	31.25	-
<b>Reimbursement of expenses</b>					
Entero Healthcare Solutions Limited	-	-	3.84	-	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	180.00	150.00	150.00	150.00	100.00
<b>9 Avenues Pharma Distributors Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	16.20	1.03	1.77	2.20	1.45
Novacare Healthcare Solutions Private Limited	1.32	0.16	0.41	0.62	2.25
G.S.Pharmaceutical Distributors Private Limited	-	-	0.93	0.14	0.02
R S M Pharma Private Limited	46.22	62.35	110.79	80.34	57.54
Galaxystar Pharma Distributors Private Limited	14.51	-	1.16	0.37	-
Chirag Medicare Solutions Private Limited	(0.01)	(0.03)	(0.06)	0.12	5.92
Rada Medisolutions Private Limited	0.59	-	3.01	0.44	-
Curever Pharma Private Limited	-	-	-	0.96	-
Getwell Medicare Solution Private Limited	-	-	-	-	0.47
Chhabra Healthcare Solutions Private Limited	3.70	-	2.88	-	-
Jaggi Enterprises Private Limited	-	0.08	0.08	-	-
Sesha Balajee Medisolutions Private Ltd	-	0.41	0.41	-	-
Barros Enterprises Private Limited	-	0.04	0.04	-	-
Sree Venkateshwara Medisolutions Private Limited	4.17	-	0.79	-	-
Atreja Healthcare Solutions Private Limited	-	-	0.15	-	-
Sri parshva Pharma Distributors private limited	4.28	4.37	8.80	-	-
Saurashtra Medisolutions Private Limited	2.11	-	0.18	-	-
Vasavi Medicare Solutions Private Limited	0.11	-	-	-	-
Millennium Medisolutions Private Limited	0.10	-	-	-	-
<b>Sale of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	-	-	0.01	-	-
Novacare Healthcare Solutions Private Limited	(0.03)	0.05	0.06	0.77	2.69
G.S.Pharmaceutical Distributors Private Limited	(0.01)	-	0.19	2.10	(0.62)
R S M Pharma Private Limited	45.43	31.10	65.21	79.20	61.53
Sundarlal Pharma Distributors Private Limited	-	-	-	-	0.61
Chhabra Healthcare Solutions Private Limited	-	-	0.02	-	-
Galaxystar Pharma Distributors Private Limited	-	0.10	0.42	0.48	-
Chirag Medicare Solutions Private Limited	0.72	-	0.14	0.25	0.17
Vasavi Medicare Solutions Private Limited	-	-	-	-	(0.05)
SVMED Solutions Private Limited	0.11	0.27	0.51	2.65	5.61
Chethana Pharma Private Limited	0.60	(0.00)	0.07	0.42	0.94
Millennium Medisolutions Private Limited	-	0.11	0.12	1.12	-
Rada Medisolutions Private Limited	-	0.03	0.09	0.84	2.82
Sesha Balajee Medisolutions Private Ltd	0.57	2.71	3.24	5.01	3.21
Barros Enterprises Private Limited	(0.01)	0.05	0.03	1.41	1.27
Sree Venkateshwara Medisolutions Private Limited	(0.27)	0.71	(1.07)	1.15	1.65
City Pharma Distributors Private Limited	0.03	1.21	1.25	0.77	-
Sri parshva Pharma Distributors private limited	0.30	1.51	2.36	-	-
Getwell Medicare Solution Private Limited	0.52	-	-	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	22.36	21.45	43.64	25.64	24.01
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	-	20.00	22.00	10.00	311.10
<b>Loans Repaid</b>					
<b>Reimbursement of expenses</b>					
Entero Healthcare Solutions Limited	-	-	1.73	-	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	350.00	350.00	350.00	350.00	300.00
<b>10 Chirag Medicare Solutions Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	11.37	0.39	1.60	0.18	0.14
Novacare Healthcare Solutions Private Limited	1.39	0.37	0.53	-	-
Galaxystar Pharma Distributors Private Limited	-	-	-	0.10	-

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

F. Details of Related Party transactions eliminated during the period/year while preparing the restated consolidated financial information

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Avenues Pharma Distributors Private Limited	0.72	-	0.14	0.25	0.17
Chethana Healthcare Solutions Private Limited	0.10	0.10	0.34	1.36	0.44
Chethana Pharma Private Limited	35.24	29.32	59.66	65.95	53.42
Rada Medisolutions Private Limited	-	-	-	0.09	0.89
Chethana Pharma Distributors Private Limited	4.93	0.65	-	1.55	0.07
Sree Venkateshwara Medisolutions Private Limited	0.82	-	-	0.01	-
Curever Pharma Private Limited	-	(0.04)	(0.04)	0.66	-
R S M Pharma Private Limited	0.00	-	-	-	0.01
G.S.Pharmaceutical Distributors Private Limited	0.59	0.25	0.83	-	-
Chhabra Healthcare Solutions Private Limited	-	-	0.14	-	-
Vasavi Medicare Solutions Private Limited	0.05	-	-	-	-
Millennium Medisolutions Private Limited	0.03	-	-	-	-
Barros Enterprises Private Limited	0.03	-	-	-	-
Atreja Healthcare Solutions Private Limited	-	0.01	-	-	-
<b>Sale of Goods (net of returns)</b>					
R S M Pharma Private Limited	-	-	-	-	0.01
Sundarlal Pharma Distributors Private Limited	-	-	-	-	(0.01)
Avenues Pharma Distributors Private Limited	(0.01)	(0.03)	(0.06)	0.12	5.92
Jaggi Enterprises Private Limited	-	-	-	0.01	(0.02)
Chethana Healthcare Solutions Private Limited	11.14	11.12	22.82	15.23	14.76
Vasavi Medicare Solutions Private Limited	0.74	1.11	1.92	1.69	1.77
SVMED Solutions Private Limited	-	-	-	0.05	2.02
Chethana Pharma Private Limited	23.21	20.27	43.19	-	34.14
Rada Medisolutions Private Limited	0.01	-	0.12	(0.10)	(0.71)
Barros Enterprises Private Limited	0.71	0.92	1.55	1.83	0.69
Chethana Pharma Distributors Private Limited	(0.21)	2.17	3.21	34.54	30.33
Sree Venkateshwara Medisolutions Private Limited	-	-	-	-	0.08
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	1.54	5.45	9.11	7.97	8.65
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	20.00	-	-	10.00	110.58
<b>Loans Repaid</b>					
Entero Healthcare Solutions Limited	-	10.00	69.00	30.00	-
<b>Reimbursement of expenses</b>					
Entero Healthcare Solutions Limited	-	-	0.10	-	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	150.00	150.00	150.00	150.00	150.00
<b>11 Jaggi Enterprises Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	3.32	(2.48)	(1.39)	7.22	6.69
Novacare Healthcare Solutions Private Limited	0.01	(1.00)	(1.11)	0.03	-
R S M Pharma Private Limited	-	-	-	(0.03)	(0.02)
Getwell Medicare Solution Private Limited	-	0.41	0.62	0.82	0.52
Chhabra Healthcare Solutions Private Limited	0.87	(0.00)	0.03	2.27	8.45
Chirag Medicare Solutions Private Limited	-	-	-	0.01	(0.02)
Millennium Medisolutions Private Limited	1.11	2.15	2.38	11.03	14.30
Sesha Balajee Medisolutions Private Ltd	-	-	-	0.14	-
Barros Enterprises Private Limited	-	0.06	0.06	0.74	-
Curever Pharma Private Limited	-	-	-	1.57	-
Sundarlal Pharma Distributors Private Limited	-	-	-	-	0.25
G.S.Pharmaceutical Distributors Private Limited	-	-	0.20	-	-
Rada Medisolutions Private Limited	0.02	-	0.16	-	-
Galaxystar Pharma Distributors Private Limited	1.92	-	-	-	-
Sree Venkateshwara Medisolutions Private Limited	0.84	-	-	-	-
Saurashtra Medisolutions Private Limited	0.55	-	-	-	-
<b>Sale of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	(0.04)	0.35	0.18	2.04	0.02
Novacare Healthcare Solutions Private Limited	10.09	1.64	2.01	0.52	4.14
G.S.Pharmaceutical Distributors Private Limited	-	(0.00)	-	-	(0.02)
Sundarlal Pharma Distributors Private Limited	-	-	-	-	(0.10)
Chhabra Healthcare Solutions Private Limited	0.73	(0.01)	-	8.97	11.99
Avenues Pharma Distributors Private Limited	-	0.08	0.08	-	-
Millennium Medisolutions Private Limited	0.90	0.17	0.02	9.02	11.43
Rada Medisolutions Private Limited	-	0.07	0.07	-	-
Barros Enterprises Private Limited	0.23	1.76	5.08	-	-
Atreja Healthcare Solutions Private Limited	1.97	-	-	-	-
Swami Medisolutions Private Limited	1.01	-	-	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	10.37	10.30	20.53	12.38	15.96
<b>Loans Taken</b>					

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

F. Details of Related Party transactions eliminated during the period/year while preparing the restated consolidated financial information

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Entero Healthcare Solutions Limited	5.00	-	-	5.00	153.07
<b>Loans Repaid</b>					
Entero Healthcare Solutions Limited	-	-	1.00	-	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	120.00	120.00	120.00	120.00	100.00
<b>12 Chethana Healthcare Solutions Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Chirag Medicare Solutions Private Limited	11.14	11.12	22.82	15.23	14.76
Chethana Pharma Private Limited	2.25	1.93	3.24	18.92	31.17
Rada Medisolutions Private Limited	-	-	-	0.02	-
Curever Pharma Private Limited	-	-	(0.01)	0.06	-
Novacare Healthcare Solutions Private Limited	0.26	-	0.06	-	-
Entero Healthcare Solutions Limited	3.81	-	-	-	-
Vasavi Medicare Solutions Private Limited	0.00	-	-	-	-
Sree Venkateshwara Medisolutions Private Limited	0.12	-	-	-	-
SVMED Solutions Private Limited	-	0.05	-	-	-
<b>Sale of Goods (net of returns)</b>					
Chirag Medicare Solutions Private Limited	0.10	0.10	0.34	1.36	0.44
Chethana Pharma Private Limited	0.05	0.16	0.26	1.54	0.49
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	2.91	4.09	7.80	5.02	4.87
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	-	-	-	3.00	62.70
<b>Loans Repaid</b>					
Entero Healthcare Solutions Limited	-	-	18.00	3.00	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	50.00	50.00	50.00	50.00	50.00
<b>Reimbursement of Expenses</b>					
Entero Healthcare Solutions Limited	-	-	0.10	-	-
<b>13 Vasavi Medicare Solutions Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	8.89	(1.27)	(1.09)	0.29	1.83
Galaxystar Pharma Distributors Private Limited	2.56	(0.05)	0.36	1.38	(0.02)
Chirag Medicare Solutions Private Limited	0.74	1.11	1.92	1.69	1.77
SVMED Solutions Private Limited	0.03	0.95	0.88	1.85	0.67
Curever Pharma Private Limited	-	-	-	1.51	-
Novacare Healthcare Solutions Private Limited	-	(0.07)	(0.07)	-	0.39
G.S.Pharmaceutical Distributors Private Limited	-	-	0.49	-	0.30
Avenues Pharma Distributors Private Limited	-	-	-	-	(0.05)
Rada Medisolutions Private Limited	11.61	1.71	3.58	-	1.92
Sesha Balajee Medisolutions Private Ltd	-	-	-	-	0.16
Chhabra Healthcare Solutions Private Limited	0.13	-	1.10	-	-
Atreja Healthcare Solutions Private Limited	-	0.73	0.73	-	-
Saurashtra Medisolutions Private Limited	0.41	-	0.14	-	-
Millennium Medisolutions Private Limited	0.03	-	-	-	-
Chethana Pharma Distributors Private Limited	0.08	-	-	-	-
Sree Venkateshwara Medisolutions Private Limited	1.84	-	-	-	-
Chethana Pharma Private Limited	-	(0.00)	-	-	-
<b>Sale of Goods (net of returns)</b>					
R S M Pharma Private Limited	0.13	-	-	-	0.01
Getwell Medicare Solution Private Limited	-	0.00	0.16	2.27	1.52
Rada Medisolutions Private Limited	4.16	3.59	5.76	3.55	3.76
Entero Healthcare Solutions Limited	0.00	-	-	-	-
G.S.Pharmaceutical Distributors Private Limited	0.17	-	-	-	-
Chhabra Healthcare Solutions Private Limited	0.04	-	-	-	-
Galaxystar Pharma Distributors Private Limited	0.16	-	-	-	-
Avenues Pharma Distributors Private Limited	0.11	-	-	-	-
Chirag Medicare Solutions Private Limited	0.05	-	-	-	-
Chethana Healthcare Solutions Private Limited	0.00	-	-	-	-
SVMED Solutions Private Limited	0.03	-	-	-	-
Chethana Pharma Private Limited	0.07	-	-	-	-
Millennium Medisolutions Private Limited	0.07	-	-	-	-
Chethana Pharma Distributors Private Limited	0.01	-	-	-	-
Sree Venkateshwara Medisolutions Private Limited	0.00	-	-	-	-
Calcutta Medisolutions Private Limited	0.02	-	-	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	9.49	7.35	14.94	9.00	10.02
<b>Loans Taken</b>					



Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

F. Details of Related Party transactions eliminated during the period/year while preparing the restated consolidated financial information

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Entero Healthcare Solutions Limited	47.05	1.00	6.50	14.50	131.28
<b>Reimbursement of expenses</b>					
Entero Healthcare Solutions Limited	-	-	0.10	-	-
<b>Loans Repaid</b>					
Entero Healthcare Solutions Limited	-	-	-	33.73	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	75.00	150.00	150.00	150.00	-
<b>14 SVMED Solutions Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	11.90	0.69	2.81	5.54	9.49
Novacare Healthcare Solutions Private Limited	1.05	0.07	0.74	9.03	0.62
Sundarlal Pharma Distributors Private Limited	-	-	-	0.44	-
Galaxystar Pharma Distributors Private Limited	1.62	0.31	1.67	2.59	-
Avenues Pharma Distributors Private Limited	0.11	0.27	0.51	2.65	5.61
Chirag Medicare Solutions Private Limited	-	-	-	0.05	2.02
Chethana Pharma Private Limited	-	-	-	(0.01)	-
Sesha Balajee Medisolutions Private Ltd	1.89	0.74	2.03	2.30	0.37
Sree Venkateshwara Medisolutions Private Limited	1.19	-	0.72	0.05	-
Curever Pharma Private Limited	-	-	-	1.79	-
G.S.Pharmaceutical Distributors Private Limited	-	0.26	0.73	-	0.04
R S M Pharma Private Limited	-	-	0.04	-	1.52
Chhabra Healthcare Solutions Private Limited	-	-	1.22	-	0.19
Rada Medisolutions Private Limited	4.86	2.51	2.72	-	9.09
Saurashtra Medisolutions Private Limited	0.25	-	0.17	-	-
Vasavi Medicare Solutions Private Limited	0.03	-	-	-	-
Millennium Medisolutions Private Limited	0.05	-	-	-	-
Barros Enterprises Private Limited	0.05	-	-	-	-
New RRPD Private Limited	0.10	-	-	-	-
<b>Sale of Goods (net of returns)</b>					
Novacare Healthcare Solutions Private Limited	-	-	0.34	-	-
G.S.Pharmaceutical Distributors Private Limited	(0.05)	1.23	0.95	-	31.85
Sundarlal Pharma Distributors Private Limited	-	(0.02)	-	6.53	14.29
Galaxystar Pharma Distributors Private Limited	(0.94)	6.88	15.93	1.25	21.94
Vasavi Medicare Solutions Private Limited	0.03	0.95	0.88	1.85	0.67
Chethana Pharma Private Limited	-	-	0.05	-	-
Rada Medisolutions Private Limited	0.01	4.69	4.71	-	5.25
Sesha Balajee Medisolutions Private Ltd	0.07	0.06	-	-	0.75
Barros Enterprises Private Limited	-	0.02	0.24	-	-
Sree Venkateshwara Medisolutions Private Limited	(0.22)	0.68	-	-	6.02
Calcutta Medisolutions Private Limited	-	1.78	1.74	0.87	-
S.S. Pharma Traders Private Limited	-	-	1.98	-	-
New Siva Agencies Private Limited	0.02	-	-	-	-
Chethana Healthcare Solutions Private Limited	-	0.05	-	-	-
<b>Rent Expenses</b>					
Entero Healthcare Solutions Limited	0.34	0.32	0.63	0.61	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	10.71	7.56	15.93	8.58	9.59
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	58.44	7.72	28.72	53.70	138.58
<b>Reimbursement of expenses</b>					
Entero Healthcare Solutions Limited	-	-	1.81	-	-
<b>Loans Repaid</b>					
Entero Healthcare Solutions Limited	-	-	-	84.69	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	100.00	150.00	150.00	150.00	-
<b>15 Chethana Pharma Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Novacare Healthcare Solutions Private Limited	1.21	0.68	0.88	-	0.01
G.S.Pharmaceutical Distributors Private Limited	0.64	0.58	1.16	0.11	-
Avenues Pharma Distributors Private Limited	0.60	(0.00)	0.07	0.42	0.94
Chethana Healthcare Solutions Private Limited	0.05	0.16	0.26	1.54	0.49
Rada Medisolutions Private Limited	-	-	-	0.17	-
Chethana Pharma Distributors Private Limited	-	0.95	-	1.05	-
Curever Pharma Private Limited	-	(0.06)	(0.05)	0.35	-
Entero Healthcare Solutions Limited	9.93	0.01	0.63	-	0.04
Chirag Medicare Solutions Private Limited	23.21	20.27	43.19	-	34.14
Barros Enterprises Private Limited	-	-	-	-	0.01
SVMED Solutions Private Limited	-	-	0.05	-	-

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

F. Details of Related Party transactions eliminated during the period/year while preparing the restated consolidated financial information

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Vasavi Medicare Solutions Private Limited	0.07	-	-	-	-
Sree Venkateshwara Medisolutions Private Limited	0.86	-	-	-	-
<b>Sale of Goods (net of returns)</b>					
Sundarlal Pharma Distributors Private Limited	-	-	-	-	(0.01)
Chirag Medicare Solutions Private Limited	35.24	29.32	59.66	65.95	53.42
Chethana Healthcare Solutions Private Limited	2.25	1.93	3.24	18.92	31.17
SVMED Solutions Private Limited	-	-	-	(0.01)	-
Chethana Pharma Distributors Private Limited	6.07	21.43	34.57	25.80	7.96
Avenues Pharma Distributors Private Limited	-	(0.00)	-	-	-
Vasavi Medicare Solutions Private Limited	-	(0.00)	-	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	1.12	5.12	8.09	7.96	16.37
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	20.00	-	-	10.00	99.15
<b>Reimbursement of expenses</b>					
Entero Healthcare Solutions Limited	-	-	0.10	-	-
<b>Loans Repaid</b>					
Entero Healthcare Solutions Limited	-	30.00	84.00	10.00	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	150.00	150.00	150.00	150.00	150.00
<b>16 Millennium Medisolutions Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	9.68	9.01	10.00	7.13	5.12
Novacare Healthcare Solutions Private Limited	1.08	0.30	0.47	0.71	-
Chhabra Healthcare Solutions Private Limited	2.30	8.10	23.09	27.07	29.81
Galaxystar Pharma Distributors Private Limited	6.34	1.65	3.88	2.20	-
Avenues Pharma Distributors Private Limited	-	0.11	0.12	1.12	-
Jaggi Enterprises Private Limited	0.90	0.17	0.02	9.02	11.43
Curever Pharma Private Limited	0.15	-	0.33	2.02	-
G.S.Pharmaceutical Distributors Private Limited	(0.05)	0.12	1.71	-	0.18
Rada Medisolutions Private Limited	0.40	0.03	1.25	-	0.31
Barros Enterprises Private Limited	0.22	0.46	0.93	-	0.30
Atreja Healthcare Solutions Private Limited	0.07	0.53	0.52	-	-
Sree Venkateshwara Medisolutions Private Limited	1.30	-	1.30	-	-
Swami Medisolutions Private Limited	-	-	0.18	-	-
Saurashtra Medisolutions Private Limited	1.25	-	0.25	-	-
Sesha Balajee Medisolutions Private Ltd	-	0.14	0.14	-	-
Vasavi Medicare Solutions Private Limited	0.07	-	-	-	-
<b>Sale of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	5.52	18.19	33.25	62.15	21.42
Novacare Healthcare Solutions Private Limited	1.53	0.91	3.08	0.84	0.10
G.S.Pharmaceutical Distributors Private Limited	0.04	-	-	0.07	-
R S M Pharma Private Limited	0.22	-	-	-	0.04
Chhabra Healthcare Solutions Private Limited	8.24	13.36	20.97	30.98	34.07
Jaggi Enterprises Private Limited	1.11	2.15	2.38	11.03	14.30
Rada Medisolutions Private Limited	-	-	-	-	0.28
Sesha Balajee Medisolutions Private Ltd	0.03	-	-	-	0.46
Barros Enterprises Private Limited	0.19	0.04	0.04	0.06	-
Calcutta Medisolutions Private Limited	3.73	8.12	14.73	0.37	-
Atreja Healthcare Solutions Private Limited	0.32	0.14	(0.48)	3.81	-
Avenues Pharma Distributors Private Limited	0.10	-	-	-	-
Chirag Medicare Solutions Private Limited	0.03	-	-	-	-
Vasavi Medicare Solutions Private Limited	0.03	-	-	-	-
SVMED Solutions Private Limited	0.05	-	-	-	-
Sree Venkateshwara Medisolutions Private Limited	0.04	-	-	-	-
City Pharma Distributors Private Limited	0.02	-	-	-	-
Swami Medisolutions Private Limited	0.88	-	-	-	-
Saurashtra Medisolutions Private Limited	1.25	-	-	-	-
SVS Lifesciences Private Limited	1.52	-	-	-	-
<b>Rent expenses</b>					
Entero Healthcare Solutions Limited	1.14	1.10	2.20	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	16.11	14.12	29.35	15.22	15.25
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	25.00	35.00	35.00	30.00	169.98
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	170.00	150.00	150.00	150.00	100.00

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

F. Details of Related Party transactions eliminated during the period/year while preparing the restated consolidated financial information

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>17 Rada Medisolutions Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	5.74	2.01	0.71	5.56	5.77
Novacare Healthcare Solutions Private Limited	0.32	(0.12)	(0.06)	0.93	0.06
Chhabra Healthcare Solutions Private Limited	0.38	(0.01)	1.14	0.23	1.87
Galaxystar Pharma Distributors Private Limited	2.58	0.10	0.53	0.58	-
Avenues Pharma Distributors Private Limited	-	0.03	0.09	0.84	2.82
Chirag Medicare Solutions Private Limited	0.01	-	0.12	(0.10)	(0.71)
Vasavi Medicare Solutions Private Limited	4.16	3.59	5.76	3.55	3.76
CPD Pharma Private Limited	18.72	42.36	58.39	78.57	68.19
Calcutta Medisolutions Private Limited	-	-	-	0.47	-
Curever Pharma Private Limited	-	-	-	2.34	-
G.S.Pharmaceutical Distributors Private Limited	-	-	0.70	-	0.12
SVMED Solutions Private Limited	0.01	4.69	4.71	-	5.25
Millennium Medisolutions Private Limited	-	-	-	-	0.28
Sesha Balajee Medisolutions Private Ltd	0.10	1.02	1.22	-	0.69
Jaggi Enterprises Private Limited	-	0.07	0.07	-	-
Barros Enterprises Private Limited	0.05	1.18	3.54	-	-
Sree Venkateshwara Medisolutions Private Limited	0.85	-	1.08	-	-
Atreja Healthcare Solutions Private Limited	-	0.04	0.04	-	-
New Siva Agencies Private Limited	2.61	3.23	3.81	-	-
Saurashtra Medisolutions Private Limited	0.44	-	0.07	-	-
New RRPD Private Limited	2.83	18.69	-	-	-
Sri parshva Pharma Distributors private limited	1.26	-	-	-	-
<b>Sale of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	0.53	-	0.29	-	-
Novacare Healthcare Solutions Private Limited	-	0.02	0.02	0.12	-
G.S.Pharmaceutical Distributors Private Limited	0.65	-	3.02	-	-
R S M Pharma Private Limited	0.52	-	2.05	-	-
Chhabra Healthcare Solutions Private Limited	0.14	-	0.99	-	-
Galaxystar Pharma Distributors Private Limited	0.25	-	1.85	-	-
Avenues Pharma Distributors Private Limited	0.59	-	3.01	0.44	-
Chirag Medicare Solutions Private Limited	-	-	-	0.09	0.89
Jaggi Enterprises Private Limited	0.02	-	0.16	-	-
Chethana Healthcare Solutions Private Limited	-	-	-	0.02	-
Vasavi Medicare Solutions Private Limited	11.61	1.71	3.58	-	1.92
SVMED Solutions Private Limited	4.86	2.51	2.72	-	9.09
Chethana Pharma Private Limited	-	-	-	0.17	-
Millennium Medisolutions Private Limited	0.40	0.03	1.25	-	0.31
Sesha Balajee Medisolutions Private Ltd	-	-	-	-	0.51
Barros Enterprises Private Limited	-	0.37	0.37	-	-
Sree Venkateshwara Medisolutions Private Limited	0.20	-	0.67	-	-
CPD Pharma Private Limited	3.44	1.61	2.32	-	1.35
Calcutta Medisolutions Private Limited	0.40	0.99	2.70	-	-
City Pharma Distributors Private Limited	0.04	-	0.03	-	-
New Siva Agencies Private Limited	-	0.00	-	0.06	-
New RRPD Private Limited	0.73	3.14	3.51	0.68	-
Chethana Pharma Distributors Private Limited	0.06	-	-	-	-
Western Healthcare Solutions Private Limited	0.03	-	-	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	4.73	7.18	13.30	7.51	6.81
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	9.67	18.50	-	6.00	90.90
<b>Reimbursement of expenses</b>					
<b>Loans Repaid</b>					
Entero Healthcare Solutions Limited	-	-	30.55	1.00	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	100.00	-	100.00	-	-
<b>18 Sesha Balajee Medisolutions Private Ltd</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	3.35	(0.25)	(1.17)	1.63	2.37
Novacare Healthcare Solutions Private Limited	0.36	0.82	1.25	0.87	0.30
Galaxystar Pharma Distributors Private Limited	-	-	-	0.11	-
Avenues Pharma Distributors Private Limited	0.57	2.71	3.24	5.01	3.21
Curever Pharma Private Limited	-	-	-	0.61	-
R S M Pharma Private Limited	0.54	-	0.43	-	0.08
SVMED Solutions Private Limited	0.07	0.06	-	-	0.75
Millennium Medisolutions Private Limited	0.03	-	-	-	0.46
Rada Medisolutions Private Limited	-	-	-	-	0.51
G.S.Pharmaceutical Distributors Private Limited	-	0.11	0.11	-	-
Sree Venkateshwara Medisolutions Private Limited	0.20	-	-	-	-

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

F. Details of Related Party transactions eliminated during the period/year while preparing the restated consolidated financial information

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Sale of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	1.17	0.54	0.50	-	-
R S M Pharma Private Limited	-	0.11	0.11	-	-
Chhabra Healthcare Solutions Private Limited	-	-	-	0.25	-
Avenues Pharma Distributors Private Limited	-	0.41	0.41	-	-
Jaggi Enterprises Private Limited	-	-	-	0.14	-
Vasavi Medicare Solutions Private Limited	-	-	-	-	0.16
SVMED Solutions Private Limited	1.89	0.74	2.03	2.30	0.37
Millennium Medisolutions Private Limited	-	0.14	0.14	-	-
Rada Medisolutions Private Limited	0.10	1.02	1.22	-	0.69
Barros Enterprises Private Limited	-	-	-	0.42	-
Sree Venkateshwara Medisolutions Private Limited	0.56	0.25	0.29	-	-
Calcutta Medisolutions Private Limited	-	0.09	0.09	0.14	-
Chethana Pharma Distributors Private Limited	0.06	-	-	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	9.87	8.13	16.39	9.83	9.45
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	32.60	3.00	3.00	13.10	143.75
<b>Reimbursement of expenses</b>					
Entero Healthcare Solutions Limited	-	-	0.10	-	-
<b>Loans Repaid</b>					
Entero Healthcare Solutions Limited	-	-	-	32.49	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	75.00	150.00	150.00	150.00	-
<b>19 Barros Enterprises Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	1.86	1.01	1.74	2.24	2.39
Novacare Healthcare Solutions Private Limited	0.36	0.39	0.70	0.12	-
G.S.Pharmaceutical Distributors Private Limited	0.54	4.54	6.50	6.29	2.67
R S M Pharma Private Limited	(0.01)	(0.00)	3.32	(0.01)	0.22
Getwell Medicare Solution Private Limited	0.05	-	0.98	0.31	-
Chhabra Healthcare Solutions Private Limited	-	0.06	0.06	0.15	-
Galaxystar Pharma Distributors Private Limited	6.50	6.88	14.19	10.12	-
Avenues Pharma Distributors Private Limited	(0.01)	0.05	0.03	1.41	1.27
Chirag Medicare Solutions Private Limited	0.71	0.92	1.55	1.83	0.69
Millennium Medisolutions Private Limited	0.19	0.04	0.04	0.06	-
Sesha Balajee Medisolutions Private Ltd	-	-	-	0.42	-
Curever Pharma Private Limited	-	-	-	1.65	-
Jaggi Enterprises Private Limited	0.23	1.76	5.08	-	-
SVMED Solutions Private Limited	-	0.02	0.24	-	-
Rada Medisolutions Private Limited	-	0.37	0.37	-	-
Atreja Healthcare Solutions Private Limited	-	0.99	2.55	-	-
New RRPD Private Limited	-	0.08	-	-	-
<b>Sale of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	0.73	0.17	1.07	-	-
G.S.Pharmaceutical Distributors Private Limited	-	0.14	2.26	0.59	-
R S M Pharma Private Limited	-	0.10	0.10	0.03	-
Getwell Medicare Solution Private Limited	0.19	3.01	5.10	0.71	-
Chhabra Healthcare Solutions Private Limited	0.10	0.08	-	0.15	-
Galaxystar Pharma Distributors Private Limited	0.08	0.07	0.36	0.57	-
Avenues Pharma Distributors Private Limited	-	0.04	0.04	-	-
Jaggi Enterprises Private Limited	-	0.06	0.06	0.74	-
Chethana Pharma Private Limited	-	-	-	-	0.01
Millennium Medisolutions Private Limited	0.22	0.46	0.93	-	0.30
Rada Medisolutions Private Limited	0.05	1.18	3.54	-	-
Chethana Pharma Distributors Private Limited	1.07	-	0.98	-	-
Atreja Healthcare Solutions Private Limited	0.59	0.41	0.41	2.37	-
Chirag Medicare Solutions Private Limited	0.03	-	-	-	-
SVMED Solutions Private Limited	0.05	-	-	-	-
Sree Venkateshwara Medisolutions Private Limited	0.09	-	-	-	-
SVS Lifesciences Private Limited	0.05	-	-	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	4.26	5.07	9.93	8.01	10.80
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	-	-	-	-	126.53
<b>Reimbursement of expenses</b>					
Entero Healthcare Solutions Limited	-	-	0.10	-	-
<b>Loans Repaid</b>					

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

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(₹ in million, unless otherwise stated)

F. Details of Related Party transactions eliminated during the period/year while preparing the restated consolidated financial information

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Entero Healthcare Solutions Limited	5.38	5.00	12.50	45.00	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	67.00	67.00	67.00	67.00	-
<b>20 Chethana Pharma Distributors Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Chirag Medicare Solutions Private Limited	(0.21)	2.17	3.21	34.54	30.33
Chethana Pharma Private Limited	6.07	21.43	34.57	25.80	7.96
Curever Pharma Private Limited	-	-	-	0.11	-
Entero Healthcare Solutions Limited	1.72	-	0.22	-	-
Chhabra Healthcare Solutions Private Limited	0.05	-	0.13	-	-
Galaxystar Pharma Distributors Private Limited	3.44	0.11	1.36	-	-
Barros Enterprises Private Limited	1.07	-	0.98	-	-
Sree Venkateshwara Medisolutions Private Limited	0.36	-	0.10	-	-
Vasavi Medicare Solutions Private Limited	0.01	-	-	-	-
Rada Medisolutions Private Limited	0.06	-	-	-	-
Sesha Balajee Medisolutions Private Ltd	0.06	-	-	-	-
Saurashtra Medisolutions Private Limited	0.11	-	-	-	-
<b>Sale of Goods (net of returns)</b>					
Chirag Medicare Solutions Private Limited	4.93	0.65	-	1.55	0.07
Chethana Pharma Private Limited	-	0.95	-	1.05	-
Vasavi Medicare Solutions Private Limited	0.08	-	-	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	0.99	0.72	1.52	0.85	0.41
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	0.50	-	4.00	0.50	10.50
<b>Reimbursement of expenses</b>					
<b>Loans Repaid</b>					
<b>Corporate Guarantees Taken</b>					
<b>21 Sree Venkateshwara Medisolutions Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	5.22	(1.84)	(2.14)	1.08	2.70
R S M Pharma Private Limited	(0.14)	0.55	0.41	1.62	0.80
Galaxystar Pharma Distributors Private Limited	2.39	-	1.40	0.16	-
Avenues Pharma Distributors Private Limited	(0.27)	0.71	(1.07)	1.15	1.65
Curever Pharma Private Limited	-	-	-	1.46	-
Chirag Medicare Solutions Private Limited	-	-	-	-	0.08
SVMED Solutions Private Limited	(0.22)	0.68	-	-	6.02
Rada Medisolutions Private Limited	0.20	-	0.67	-	-
Sesha Balajee Medisolutions Private Ltd	0.56	0.25	0.29	-	-
Chhabra Healthcare Solutions Private Limited	0.31	-	-	-	-
Vasavi Medicare Solutions Private Limited	0.00	-	-	-	-
Millennium Medisolutions Private Limited	0.04	-	-	-	-
Barros Enterprises Private Limited	0.09	-	-	-	-
Sri parshva Pharma Distributors private limited	0.82	-	-	-	-
Saurashtra Medisolutions Private Limited	0.34	-	-	-	-
G.S.Pharmaceutical Distributors Private Limited	-	0.06	-	-	-
<b>Sale of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	0.28	-	0.17	-	-
G.S.Pharmaceutical Distributors Private Limited	4.48	-	3.65	-	-
R S M Pharma Private Limited	4.18	-	2.54	-	-
Chhabra Healthcare Solutions Private Limited	1.50	-	1.15	-	-
Galaxystar Pharma Distributors Private Limited	4.68	-	0.47	-	-
Avenues Pharma Distributors Private Limited	4.17	-	0.79	-	-
Chirag Medicare Solutions Private Limited	0.82	-	-	0.01	-
SVMED Solutions Private Limited	1.19	-	0.72	0.05	-
Millennium Medisolutions Private Limited	1.30	-	1.30	-	-
Rada Medisolutions Private Limited	0.85	-	1.08	-	-
Chethana Pharma Distributors Private Limited	0.36	-	0.10	-	-
City Pharma Distributors Private Limited	0.13	-	0.03	-	-
Jaggi Enterprises Private Limited	0.84	-	-	-	-
Chethana Healthcare Solutions Private Limited	0.12	-	-	-	-
Vasavi Medicare Solutions Private Limited	1.84	-	-	-	-
Chethana Pharma Private Limited	0.86	-	-	-	-
Sesha Balajee Medisolutions Private Ltd	0.20	-	-	-	-
Calcutta Medisolutions Private Limited	0.54	-	-	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	3.87	2.58	5.89	2.29	0.71
<b>Loans Taken</b>					

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

F. Details of Related Party transactions eliminated during the period/year while preparing the restated consolidated financial information

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Entero Healthcare Solutions Limited	2.70	11.00	22.50	10.40	24.95
<b>22 CPD Pharma Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Curever Pharma Private Limited	-	-	-	0.86	-
Rada Medisolutions Private Limited	3.44	1.61	2.32	-	1.35
Entero Healthcare Solutions Limited	0.21	(0.15)	(0.15)	-	-
Novacare Healthcare Solutions Private Limited	-	(0.24)	(0.24)	-	-
New Siva Agencies Private Limited	0.42	0.53	1.00	-	-
New RRPD Private Limited	0.31	0.09	0.36	-	-
<b>Sale of Goods (net of returns)</b>					
Rada Medisolutions Private Limited	18.72	42.36	58.39	78.57	68.19
New RRPD Private Limited	1.83	1.31	1.75	2.93	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	1.84	1.33	2.87	1.56	0.02
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	-	-	7.79	9.49	10.95
<b>23 Calcutta Medisolutions Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Chhabra Healthcare Solutions Private Limited	0.33	-	0.48	0.04	-
Galaxystar Pharma Distributors Private Limited	9.28	8.20	17.73	1.16	-
SVMED Solutions Private Limited	-	1.78	1.74	0.87	-
Millennium Medisolutions Private Limited	3.73	8.12	14.73	0.37	-
Sesha Balajee Medisolutions Private Ltd	-	0.09	0.09	0.14	-
Curever Pharma Private Limited	-	-	-	0.40	-
Rada Medisolutions Private Limited	0.40	0.99	2.70	-	-
SVS Lifesciences Private Limited	5.74	-	5.57	-	-
Entero Healthcare Solutions Limited	4.71	0.03	0.19	-	-
G.S.Pharmaceutical Distributors Private Limited	-	0.12	0.73	-	-
Vasavi Medicare Solutions Private Limited	0.02	-	-	-	-
Sree Venkateshwara	0.54	-	-	-	-
Saurashtra Medisolutions	0.11	-	-	-	-
<b>Sale of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	2.06	0.75	1.65	1.79	-
Rada Medisolutions Private Limited	-	-	-	0.47	-
SVS Lifesciences Private Limited	1.06	-	-	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	2.45	1.77	3.97	0.90	0.02
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	2.50	15.50	18.00	10.64	6.76
<b>24 Curever Pharma Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	(0.98)	4.54	0.71	6.16	-
<b>Sale of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	1.78	(0.08)	1.84	0.93	-
G.S.Pharmaceutical Distributors Private Limited	-	-	0.02	4.53	-
R S M Pharma Private Limited	-	-	-	0.98	-
Getwell Medicare Solution Private Limited	(0.02)	(1.20)	(1.74)	5.14	-
Chhabra Healthcare Solutions Private Limited	-	-	-	2.43	-
Galaxystar Pharma Distributors Private Limited	-	-	-	1.62	-
Avenues Pharma Distributors Private Limited	-	-	-	0.96	-
Chirag Medicare Solutions Private Limited	-	(0.04)	(0.04)	0.66	-
Jaggi Enterprises Private Limited	-	-	-	1.57	-
Chethana Healthcare Solutions Private Limited	-	-	(0.01)	0.06	-
Vasavi Medicare Solutions Private Limited	-	-	-	1.51	-
SVMED Solutions Private Limited	-	-	-	1.79	-
Chethana Pharma Private Limited	-	(0.06)	(0.05)	0.35	-
Millennium Medisolutions Private Limited	0.15	-	0.33	2.02	-
Rada Medisolutions Private Limited	-	-	-	2.34	-
Sesha Balajee Medisolutions Private Ltd	-	-	-	0.61	-
Barros Enterprises Private Limited	-	-	-	1.65	-
Chethana Pharma Distributors Private Limited	-	-	-	0.11	-
Sree Venkateshwara Medisolutions Private Limited	-	-	-	1.46	-
CPD Pharma Private Limited	-	-	-	0.86	-
Calcutta Medisolutions Private Limited	-	-	-	0.40	-
Atreja Healthcare Solutions Private Limited	-	-	-	0.03	-
Sri parshva Pharma Distributors private limited	-	-	0.07	-	-
<b>Commission Expenses</b>					
Entero Healthcare Solutions Limited	-	-	0.46	2.64	-

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

F. Details of Related Party transactions eliminated during the period/year while preparing the restated consolidated financial information

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Novacare Healthcare Solutions Private Limited	-	-	0.53	1.07	-
<b>Rent Expenses</b>					
Novacare Healthcare Solutions Private Limited	-	-	0.21	0.17	-
Entero Healthcare Solutions Limited	-	0.86	1.73	1.73	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	23.14	8.30	25.25	11.31	0.02
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	-	39.20	250.90	287.40	8.00
<b>Loans Repaid</b>					
Entero Healthcare Solutions Limited	-	-	-	191.20	-
<b>Corporate Guarantee taken</b>					
Entero Healthcare Solutions Limited	-	200.00	-	200.00	-
<b>25 Western Healthcare Solutions Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	2.38	0.03	0.33	0.30	-
Getwell Medicare Solution Private Limited	0.81	0.64	0.96	0.26	-
Rada Medisolutions Private Limited	0.03	-	-	-	-
<b>Sale of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	-	-	-	0.30	-
Getwell Medicare Solution Private Limited	-	-	-	0.26	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	8.85	9.53	19.17	12.45	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	14.75	15.00	-	187.50	-
<b>Loans Repaid</b>					
Entero Healthcare Solutions Limited	-	-	9.80	50.00	-
<b>Reimbursement of expenses</b>					
Entero Healthcare Solutions Limited	-	-	0.90	-	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	100.00	80.00	80.00	80.00	-
<b>26 Atreja Healthcare Solutions Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	0.42	0.29	1.11	0.53	-
Galaxystar Pharma Distributors Private Limited	2.61	-	-	0.20	-
Millennium Medisolutions Private Limited	0.32	0.14	(0.48)	3.81	-
Barros Enterprises Private Limited	0.59	0.41	0.41	2.37	-
Curever Pharma Private Limited	-	-	-	0.03	-
Novacare Healthcare Solutions Private Limited	0.09	0.04	0.40	-	-
Swami Medisolutions Private Limited	0.02	-	0.30	-	-
Jaggi Enterprises Private Limited	1.97	-	-	-	-
<b>Sale of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	4.57	2.05	5.50	0.78	-
R S M Pharma Private Limited	-	-	0.05	-	-
Chhabra Healthcare Solutions Private Limited	-	0.04	0.04	-	-
Galaxystar Pharma Distributors Private Limited	-	0.45	0.45	1.01	-
Avenues Pharma Distributors Private Limited	-	-	0.15	-	-
Vasavi Medicare Solutions Private Limited	-	0.73	0.73	-	-
Millennium Medisolutions Private Limited	0.07	0.53	0.52	-	-
Rada Medisolutions Private Limited	-	0.04	0.04	-	-
Barros Enterprises Private Limited	-	0.99	2.55	-	-
Chirag Medicare Solutions Private Limited	-	0.01	-	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	2.97	2.57	5.46	1.97	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	-	6.50	9.50	36.10	-
<b>27 City Pharma Distributors Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	0.86	0.26	0.31	0.20	-
Avenues Pharma Distributors Private Limited	0.03	1.21	1.25	0.77	-
Novacare Healthcare Solutions Private Limited	-	0.06	(0.27)	-	-
G.S.Pharmaceutical Distributors Private Limited	-	-	0.02	-	-
R S M Pharma Private Limited	9.05	3.79	9.92	-	-
Chhabra Healthcare Solutions Private Limited	0.10	-	0.05	-	-
Rada Medisolutions Private Limited	0.04	-	0.03	-	-
Sree Venkateshwara Medisolutions Private Limited	0.13	-	0.03	-	-

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

F. Details of Related Party transactions eliminated during the period/year while preparing the restated consolidated financial information

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Saurashtra Medisolutions Private Limited	0.09	-	0.01	-	-
Galaxystar Pharma Distributors Private Limited	0.41	-	-	-	-
Millennium Medisolutions Private Limited	0.02	-	-	-	-
Millennium Medisolutions Private Limited	0.14	-	-	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	2.39	2.35	4.73	1.22	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	-	2.00	2.00	34.70	-
<b>28 New Siva Agencies Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	0.07	1.24	1.24	0.43	-
Rada Medisolutions Private Limited	-	0.00	-	0.06	-
New RRPD Private Limited	-	0.41	0.47	-	-
SVMED Solutions Private Limited	0.02	-	-	-	-
<b>Sale of Goods (net of returns)</b>					
Rada Medisolutions Private Limited	2.61	3.23	3.81	-	-
CPD Pharma Private Limited	0.42	0.53	1.00	-	-
New RRPD Private Limited	1.18	1.05	2.54	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	3.04	4.30	8.57	1.53	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	-	-	-	65.90	-
<b>Loans Repaid</b>					
Entero Healthcare Solutions Limited	32.20	-	-	-	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	50.00	-	-	-	-
<b>29 New RRPD Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Rada Medisolutions Private Limited	0.73	3.14	3.51	0.68	-
CPD Pharma Private Limited	1.83	1.31	1.75	2.93	-
Entero Healthcare Solutions Limited	0.10	1.05	1.24	-	-
New Siva Agencies Private Limited	1.18	1.05	2.54	-	-
<b>Sale of Goods (net of returns)</b>					
CPD Pharma Private Limited	0.31	0.09	0.36	-	-
New Siva Agencies Private Limited	-	0.41	0.47	-	-
SVMED Solutions Private Limited	0.10	-	-	-	-
Rada Medisolutions Private Limited	2.83	18.69	-	-	-
City Pharma Distributors Private Limited	0.14	-	-	-	-
Barros	-	0.08	-	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	2.43	3.87	7.71	1.15	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	-	-	-	59.30	-
<b>Loans Repaid</b>					
Entero Healthcare Solutions Limited	34.20	-	-	-	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	50.00	-	-	-	-
<b>30 Swami Medisolutions Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	0.77	-	0.50	-	-
Novacare Healthcare Solutions Private Limited	1.04	-	1.65	-	-
Chhabra Healthcare Solutions Private Limited	1.80	-	-	-	-
Jaggi Enterprises Private Limited	1.01	-	-	-	-
Millennium Medisolutions Private Limited	0.88	-	-	-	-
<b>Sale of Goods (net of returns)</b>					
Atreja Healthcare Solutions Private Limited	0.02	-	0.30	-	-
Millennium Medisolutions Private Limited	-	-	0.18	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	4.59	4.14	8.61	1.16	-
<b>Loans Taken</b>					



Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

F. Details of Related Party transactions eliminated during the period/year while preparing the restated consolidated financial information

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Entero Healthcare Solutions Limited	-	5.45	8.15	62.30	-
<b>31 Sri Rama Pharmaceutical Distributors Private Limited</b>					
<b>Loan Taken</b>					
Entero Healthcare Solutions Limited	188.30	233.95	354.90	122.03	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	38.40	13.35	38.27	0.47	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	320.00	226.62	158.64	226.62	-
<b>32 Sri parshva Pharma Distributors private limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	9.55	-	4.65	-	-
Novacare Healthcare Solutions Private Limited	2.89	0.18	2.64	-	-
R S M Pharma Private Limited	1.13	1.04	2.17	-	-
Avenues Pharma Distributors Private Limited	0.30	1.51	2.36	-	-
Curever Pharma Private Limited	-	-	0.07	-	-
<b>Sale of Goods (net of returns)</b>					
Novacare Healthcare Solutions Private Limited	3.68	-	0.07	-	-
R S M Pharma Private Limited	3.60	4.01	8.37	0.20	-
Avenues Pharma Distributors Private Limited	4.28	4.37	8.80	-	-
G.S.Pharmaceutical Distributors Private Limited	1.23	-	-	-	-
Getwell Medicare Solution Private Limited	0.76	-	-	-	-
Galaxystar Pharma Distributors Private Limited	1.08	-	-	-	-
Rada Medisolutions Private Limited	1.26	-	-	-	-
Sree Venkateshwara Medisolutions Private Limited	0.82	-	-	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	23.82	14.48	29.79	4.90	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	8.37	-	124.60	547.09	-
<b>Loans Repaid</b>					
Entero Healthcare Solutions Limited	-	23.50	-	303.41	-
<b>Reimbursement of Expenses</b>					
Entero Healthcare Solutions Limited	-	-	0.10	-	-
<b>Corporate Guarantee Taken</b>					
Entero Healthcare Solutions Limited	400.00	326.91	228.84	547.33	-
<b>33 SVS Lifesciences Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	1.36	-	0.76	-	-
Novacare Healthcare Solutions Private Limited	0.24	-	0.91	-	-
Chhabra Healthcare Solutions Private Limited	-	-	0.55	-	-
Galaxystar Pharma Distributors Private Limited	0.01	-	1.40	-	-
Millennium Medisolutions Private Limited	1.52	-	-	-	-
Barros Enterprises Private Limited	0.05	-	-	-	-
Calcutta Medisolutions Private Limited	1.06	-	-	-	-
<b>Sale of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	8.13	-	0.58	-	-
Novacare Healthcare Solutions Private Limited	0.12	-	0.04	-	-
Calcutta Medisolutions Private Limited	5.74	-	5.57	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	4.97	1.63	5.66	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	24.40	62.00	65.00	-	-
<b>Reimbursement of Expenses</b>					
Entero Healthcare Solutions Limited	-	-	1.23	-	-
<b>Corporate Guarantee Taken</b>					
Entero Healthcare Solutions Limited	40.00	-	-	-	-
<b>34 Saurashtra Medisolutions Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	0.60	1.00	1.26	-	-
Novacare Healthcare Solutions Private Limited	0.51	-	1.01	-	-
G.S.Pharmaceutical Distributors Private Limited	0.19	-	0.61	-	-
Getwell Medicare Solution Private Limited	-	-	0.99	-	-
Galaxystar Pharma Distributors Private Limited	0.63	2.67	5.07	-	-
Millennium Medisolutions Private Limited	1.25	-	-	-	-

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

F. Details of Related Party transactions eliminated during the period/year while preparing the restated consolidated financial information

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Sale of Goods (net of returns)</b>					
G.S.Pharmaceutical Distributors Private Limited	1.61	-	0.41	-	-
Chhabra Healthcare Solutions Private Limited	0.29	-	0.09	-	-
Galaxystar Pharma Distributors Private Limited	1.66	-	0.22	-	-
Avenues Pharma Distributors Private Limited	2.11	-	0.18	-	-
Vasavi Medicare Solutions Private Limited	0.41	-	0.14	-	-
SVMED Solutions Private Limited	0.25	-	0.17	-	-
Millennium Medisolutions Private Limited	1.25	-	0.25	-	-
Rada Medisolutions Private Limited	0.44	-	0.07	-	-
City Pharma Distributors Private Limited	0.09	-	0.01	-	-
Entero Healthcare Solutions Limited	0.04	-	-	-	-
R S M Pharma Private Limited	0.99	-	-	-	-
Jaggi Enterprises Private Limited	0.55	-	-	-	-
Chethana Pharma Distributors Private Limited	0.11	-	-	-	-
Sree Venkateshwara Medisolutions Private Limited	0.34	-	-	-	-
Calcutta Medisolutions Private Limited	0.11	-	-	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	6.75	3.14	9.50	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	-	97.50	101.30	-	-
<b>Loans Repaid</b>					
Entero Healthcare Solutions Limited	2.45	-	-	-	-
<b>Corporate Guarantee Taken</b>					
Entero Healthcare Solutions Limited	40.00	-	-	-	-
<b>35 S.S. Pharma Traders Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	4.85	(0.00)	2.02	-	-
Novacare Healthcare Solutions Private Limited	(0.33)	-	0.50	-	-
SVMED Solutions Private Limited	-	-	1.98	-	-
<b>Interest Expense</b>					
Entero Healthcare Solutions Limited	11.40	0.74	9.43	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	58.60	116.04	136.54	-	-
<b>Reimbursement of expenses</b>					
Entero Healthcare Solutions Limited	-	-	0.64	-	-
<b>Corporate Guarantee Taken</b>					
Entero Healthcare Solutions Limited	70.00	-	-	-	-
<b>36 Quomed Life Sciences Private Limited</b>					
<b>Rent Expenses</b>					
Entero Healthcare Solutions Limited	-	0.01	0.01	0.01	-
<b>37 Rimedio Pharma Private Limited</b>					
<b>Rent Expenses</b>					
Entero Healthcare Solutions Limited	-	0.01	0.01	0.01	-
<b>38 Entero R.S. Enterprises Private Limited</b>					
<b>Purchase of Goods (net of returns)</b>					
Entero Healthcare Solutions Limited	0.12	-	-	-	-

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Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

G. Details of Related Party balances eliminated during the year while preparing the restated consolidated financial information

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
<b>1 Entero Healthcare Solutions Limited</b>					
<b>Trade Payables</b>					
Novacare Healthcare Solutions Private Limited	118.05	29.11	26.55	12.82	11.94
G.S. Pharmaceuticals Distributors Private Limited	(0.38)	2.48	2.89	2.04	-
Chhabra Healthcare Solutions Private Limited	2.90	0.96	(1.29)	4.31	6.08
Galaxystar Pharma Distributors Private Limited	25.34	2.47	1.46	1.74	-
Jaggi Enterprises Private Limited	1.41	1.66	1.48	1.32	0.77
Millennium Medisolutions Private Limited	3.28	6.20	4.06	30.52	2.41
Calcutta Medisolutions Private Limited	0.37	0.28	0.17	(0.04)	-
Curever Pharma Private Limited	4.44	0.21	-	1.04	-
Atreja Healthcare Solutions Private Limited	0.19	1.50	0.69	-	-
Getwell Medicare Solution Private Limited	0.30	-	0.27	-	-
Avenues Pharma Distributors Private Limited	0.01	-	0.01	-	-
Rada Medisolutions Private Limited	-	-	0.09	-	-
Sesha Balajee Medisolutions Private Limited	1.30	-	(0.04)	-	-
Sree Venkateshwara Medisolutions Private Limited	0.06	-	0.09	-	-
SVS Lifesciences Private Limited	4.65	-	0.65	-	-
Vasavi Medicare Solutions Private Limited	0.00	-	-	-	-
Barros Enterprises Private Limited	(0.01)	-	-	-	-
Saurashtra Medisolutions Private Limited	0.04	-	-	-	-
<b>Trade Receivables</b>					
Novacare Healthcare Solutions Private Limited	298.72	93.38	165.44	152.70	97.37
G.S. Pharmaceuticals Distributors Private Limited	5.02	6.71	4.42	11.60	2.67
R S M Pharma Private Limited	6.71	2.61	5.19	2.81	2.21
Getwell Medicare Solution Private Limited	32.86	52.63	8.88	41.47	4.67
Sundarlal Pharma Distributors Private Limited	0.30	0.31	0.30	0.45	0.38
Chhabra Healthcare Solutions Private Limited	9.43	0.95	0.95	4.21	2.33
Galaxystar Pharma Distributors Private Limited	15.24	(0.01)	4.94	0.78	(0.15)
Avenues Pharma Distributors Private Limited	10.61	4.77	5.28	4.40	0.13
Chirag Medicare Solutions Private Limited	4.71	0.38	0.61	0.15	(0.04)
Jaggi Enterprises Private Limited	11.38	7.92	8.17	10.72	4.24
Chethana Healthcare Solutions Private Limited	1.37	-	0.11	-	-
Vasavi Medicare Solutions Private Limited	7.87	(0.17)	(0.15)	1.26	0.26
SVMED Solutions Private Limited	12.78	8.73	0.69	12.44	6.43
Chethana Pharma Private Limited	1.75	0.01	0.36	-	0.03
Millennium Medisolutions Private Limited	10.31	2.11	2.89	8.74	0.57
Rada Medisolutions Private Limited	5.01	6.27	1.19	10.02	5.72
Sesha Balajee Medisolutions Private Limited	3.94	1.68	0.35	1.97	0.77
Barros Enterprises Private Limited	0.40	0.39	0.35	0.29	0.21
Chethana Pharma Distributors Private Limited	0.73	-	0.09	-	-
Sree Venkateshwara Medisolutions Private Limited	5.81	1.99	0.27	4.67	2.08
CPD Pharma Private Limited	0.62	0.46	0.46	0.63	-
Calcutta Medisolutions Private Limited	1.94	0.05	0.06	0.14	-
Curever Pharma Private Limited	11.13	14.29	12.44	6.41	-
Western Healthcare Solutions Private Limited	2.13	0.10	1.14	0.26	-
Atreja Healthcare Solutions Private Limited	0.24	0.91	1.52	0.60	-
City Pharma Distributors Private Limited	1.33	0.30	0.36	0.01	-
Swami Medisolutions Private Limited	0.89	-	0.24	-	-
New Siva Agencies Private Limited	1.26	1.47	1.47	0.17	-
New RRPD Private Limited	0.89	1.08	1.30	-	-
Sri Rama Pharmaceutical Distributors Private Limited	-	4.92	4.92	-	-
Sri Parshva Pharma Distributors Private Limited	6.42	2.41	0.78	-	-
Saurashtra Medisolutions Private Limited	0.22	0.58	0.32	-	-
SVS Lifesciences Private Limited	3.08	-	0.43	-	-
S.S. Pharma Traders Private Limited	4.48	-	-	-	-
<b>Loans Given</b>					
Novacare Healthcare Solutions Private Limited	281.44	221.44	221.44	215.94	239.90
G.S. Pharmaceuticals Distributors Private Limited	132.50	128.69	118.00	125.69	70.19
R S M Pharma Private Limited	153.67	117.06	112.08	112.06	164.12
Galaxystar Pharma Distributors Private Limited	70.54	55.54	55.54	72.44	87.69
Sundarlal Pharma Distributors Private Limited	94.89	79.62	79.62	79.62	79.62
Chhabra Healthcare Solutions Private Limited	107.38	96.44	109.94	80.94	80.94
Getwell Medicare Solution Private Limited	73.13	106.13	68.13	106.13	106.13
Avenues Pharma Distributors Private Limited	343.10	341.10	343.10	321.10	311.10
Barros Enterprises Private Limited	63.65	76.53	69.03	81.53	126.53
Chethana Healthcare Solutions Private Limited	44.70	62.70	44.70	62.70	62.70
Chethana Pharma Private Limited	35.15	69.15	15.15	99.15	99.15
Chirag Medicare Solutions Private Limited	41.58	80.58	21.58	90.58	110.58
Jaggi Enterprises Private Limited	162.07	158.07	157.07	158.07	153.07

**Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)**

**Annexure V - Notes to Restated Consolidated Financial Information**

(₹ in million, unless otherwise stated)

**G. Details of Related Party balances eliminated during the year while preparing the restated consolidated financial information**

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Millennium Medisolutions Private Limited	259.98	234.98	234.98	199.98	169.98
Rada Medisolutions Private Limited	75.01	114.40	65.35	95.90	90.90
Sesha Balajee Medisolutions Private Limited	159.96	127.36	127.36	124.36	143.75
SVMED Solutions Private Limited	194.75	115.31	136.31	107.59	138.58
Vasavi Medicare Solutions Private Limited	165.59	113.04	118.54	112.04	131.28
Calcutta Medisolutions Private Limited	37.90	32.90	35.40	17.40	6.76
Curever Pharma Private Limited	355.10	143.40	355.10	104.20	8.00
Sree Venkateshwara Medisolutions Private Limited	60.55	46.35	57.85	35.35	24.95
Chethana Pharma Distributors Private Limited	15.50	11.00	15.00	11.00	10.50
CPD Pharma Private Limited	28.23	20.44	28.23	20.44	10.95
Western Healthcare Solutions Private Limited	142.46	152.50	127.70	137.50	-
Atreja Healthcare Solutions Private Limited	45.60	42.60	45.60	36.10	-
City Pharma Distributors Private Limited	36.70	36.70	36.70	34.70	-
Swami Medisolutions Private Limited	70.45	67.75	70.45	62.30	-
New Siva Agencies Private Limited	33.70	65.90	65.90	65.90	-
New RRPD Private Limited	25.10	59.30	59.30	59.30	-
Sri Rama Pharmaceutical Distributors Private Limited	665.23	355.98	476.93	122.03	-
S.S. Pharma Traders Private Limited	195.14	116.04	136.54	-	-
Saurashtra Medisolutions Private Limited	98.85	97.50	101.30	-	-
SVS Lifesciences Private Limited	89.40	62.00	65.00	-	-
Sri Parshva Pharma Distributors Private Limited	376.65	220.18	368.28	243.69	-
<b>Interest receivable</b>					
Novacare Healthcare Solutions Private Limited	51.22	34.15	45.64	19.51	16.05
G.S. Pharmaceuticals Distributors Private Limited	19.17	18.04	14.18	17.82	10.67
R S M Pharma Private Limited	8.00	7.29	3.30	12.50	11.44
Galaxystar Pharma Distributors Private Limited	3.78	4.08	-	6.29	10.75
Sundarlal Pharma Distributors Private Limited	6.07	8.14	12.27	12.86	7.08
Chhabra Healthcare Solutions Private Limited	7.26	11.49	13.44	5.83	6.13
Getwell Medicare Solution Private Limited	3.35	6.92	2.70	6.75	9.36
Avenues Pharma Distributors Private Limited	61.55	81.35	59.18	69.91	49.33
Barros Enterprises Private Limited	4.26	5.07	2.12	7.21	9.99
Chethana Healthcare Solutions Private Limited	2.91	4.09	-	4.52	8.68
Chethana Pharma Private Limited	1.12	5.12	-	7.16	15.14
Chirag Medicare Solutions Private Limited	1.54	5.45	-	7.18	8.00
Jaggi Enterprises Private Limited	34.35	30.61	23.98	25.91	14.77
Millennium Medisolutions Private Limited	36.23	27.82	40.12	13.70	14.11
Rada Medisolutions Private Limited	4.73	12.22	2.07	15.05	8.29
Sesha Balajee Medisolutions Private Limited	9.87	16.98	20.60	8.85	10.01
S.S. Pharma Traders Private Limited	11.40	0.74	8.49	-	-
Saurashtra Medisolutions Private Limited	6.75	3.14	8.55	-	-
SVS Lifesciences Private Limited	4.97	1.63	5.10	-	-
SVMED Solutions Private Limited	10.71	7.56	14.34	7.72	12.81
Vasavi Medicare Solutions Private Limited	9.49	15.45	17.55	8.10	9.27
Western Healthcare Solutions Private Limited	8.85	13.23	17.25	11.20	-
Atreja Healthcare Solutions Private Limited	9.66	4.35	6.69	1.78	-
City Pharma Distributors Private Limited	7.75	3.45	5.35	1.09	-
Swami Medisolutions Private Limited	13.39	5.19	8.79	1.04	-
New Siva Agencies Private Limited	3.04	5.67	7.71	1.38	-
New RRPD Private Limited	2.43	4.90	6.94	1.04	-
Sri Rama Pharmaceutical Distributors Private Limited	38.40	13.77	34.87	0.43	-
Sri Parshva Pharma Distributors Private Limited	23.82	18.89	19.42	4.41	-
Calcutta Medisolutions Private Limited	6.85	2.60	4.40	0.83	0.02
Curever Pharma Private Limited	56.07	18.50	32.93	10.20	0.02
Sree Venkateshwara Medisolutions Private Limited	11.89	5.30	8.02	2.72	0.66
Chethana Pharma Distributors Private Limited	3.50	1.86	2.51	1.14	0.38
CPD Pharma Private Limited	5.84	2.75	4.00	1.42	0.02
<b>Corporate Guarantees Given</b>					
Novacare Healthcare Solutions Private Limited	448.20	428.68	431.05	433.44	351.61
Getwell Medicare Solution Private Limited	224.49	110.52	211.81	76.74	87.11
Avenues Pharma Distributors Private Limited	356.70	307.50	330.86	250.28	246.48
Chethana Healthcare Solutions Private Limited	37.61	26.09	38.10	17.23	18.12
Chirag Medicare Solutions Private Limited	116.13	93.71	125.47	84.29	96.83
R S M Pharma Private Limited	218.58	227.38	165.29	189.16	106.35
G.S. Pharmaceuticals Distributors Private Limited	130.46	83.60	112.86	72.65	73.25
Chhabra Healthcare Solutions Private Limited	85.45	52.74	53.99	39.48	39.29
Sundarlal Pharma Distributors Private Limited	-	15.86	20.56	21.16	27.74
SVMED Solutions Private Limited	100.00	121.55	99.77	80.26	-
Galaxystar Pharma Distributors Private Limited	153.68	109.36	104.29	84.01	83.85
Jaggi Enterprises Private Limited	103.15	85.97	91.63	85.55	68.07
Chethana Pharma Private Limited	120.44	99.89	131.82	59.42	99.86

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

G. Details of Related Party balances eliminated during the year while preparing the restated consolidated financial information

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Chethana Pharma Distributors Private Limited	-	-	-	-	-
Millennium Medisolutions Private Limited	143.91	129.82	121.47	128.55	84.46
Rada Medisolutions Private Limited	93.00	-	65.98	-	-
Sri Rama Pharmaceutical Distributors Private Limited	257.75	226.62	158.64	226.62	-
Sri Parshva Pharma Distributors Private Limited	258.53	326.91	228.84	547.33	-
Barros Enterprises Private Limited	41.77	35.50	39.61	34.61	-
Sesha Balajee Medisolutions Private Limited	75.00	63.01	55.34	48.03	-
Vasavi Medicare Solutions Private Limited	75.00	82.18	76.83	61.11	-
Western Healthcare Solutions Private Limited	86.55	54.50	67.55	22.89	-
Curever Pharma Private Limited	-	200.00	-	-	-
New RRPD Private Limited	50.00	-	-	-	-
New Siva Agencies Private Limited	50.00	-	-	-	-
Saurashtra Medisolutions Private Limited	30.00	-	-	-	-
SVS Lifesciences Private Limited	20.00	-	-	-	-
S.S. Pharma Traders Private Limited	50.00	-	-	-	-
<b>Investments</b>					
Novacare Healthcare Solutions Private Limited	110.00	110.00	110.00	110.00	110.00
G.S. Pharmaceuticals Distributors Private Limited	36.00	36.00	36.00	36.00	36.00
R S M Pharma Private Limited	47.70	47.70	47.70	47.70	47.70
Galaxystar Pharma Distributors Private Limited	57.90	57.90	57.90	48.00	48.00
Sundarlal Pharma Distributors Private Limited	32.90	32.90	32.90	23.00	23.00
Chhabra Healthcare Solutions Private Limited	35.00	35.00	35.00	35.00	35.00
Getwell Medicare Solution Private Limited	68.00	68.00	68.00	68.00	68.00
Avenues Pharma Distributors Private Limited	0.10	0.10	0.10	0.10	0.10
Barros Enterprises Private Limited	0.10	0.10	0.10	0.10	0.10
Chethana Healthcare Solutions Private Limited	1.00	1.00	1.00	1.00	1.00
Chethana Pharma Private Limited	3.00	3.00	3.00	3.00	3.00
Chirag Medicare Solutions Private Limited	1.00	1.00	1.00	1.00	1.00
Jaggi Enterprises Private Limited	0.10	0.10	0.10	0.10	0.10
Millennium Medisolutions Private Limited	0.10	0.10	0.10	0.10	0.10
Rada Medisolutions Private Limited	0.10	0.10	0.10	0.10	0.10
Sesha Balajee Medisolutions Private Limited	0.10	0.10	0.10	0.10	0.10
SVMED Solutions Private Limited	0.10	0.10	0.10	0.10	0.10
Vasavi Medicare Solutions Private Limited	0.10	0.10	0.10	0.10	0.10
Chethana Pharma Distributors Private Limited	0.10	0.10	0.10	0.10	0.10
Sree Venkateshwara Medisolutions Private Limited	0.10	0.10	0.10	0.10	0.10
CPD Pharma Private Limited	10.10	10.10	10.10	10.10	10.10
Calcutta Medisolutions Private Limited	0.10	0.10	0.10	0.10	0.10
Curever Pharma Private Limited	0.10	0.10	0.10	0.10	0.10
Rimedio Pharma Private Limited	0.10	0.10	0.10	0.10	0.10
Quomed Life Sciences Private Limited	0.10	0.10	0.10	0.10	0.10
Western Healthcare Solutions Private Limited	0.10	0.10	0.10	0.10	-
Atreja Healthcare Solutions Private Limited	0.10	0.10	0.10	0.10	-
City Pharma Distributors Private Limited	0.10	0.10	0.10	0.10	-
Swami Medisolutions Private Limited	0.10	0.10	0.10	0.10	-
Saurashtra Medisolutions Private Limited	0.10	0.10	0.10	-	-
SVS Lifesciences Private Limited	0.10	0.10	0.10	-	-
S.S. Pharma Traders Private Limited	0.10	0.10	0.10	-	-
New Siva Agencies Private Limited	0.10	0.10	0.10	0.10	-
New RRPD Private Limited	0.10	0.10	0.10	0.10	-
Sri Rama Pharmaceutical Distributors Private Limited	0.10	0.10	0.10	0.10	-
Sri Parshva Pharma Distributors Private Limited	0.10	0.10	0.10	0.10	-
Zennx Software Solutions Private Limited	0.10	0.10	0.10	0.10	-
Entero R.S Enterprises Private Limited	0.10	-	-	-	-
<b>Reimbursement of expenses</b>					
Curever Pharma Private Limited	-	-	-	3.03	-
<b>Commission Payable</b>					
Novacare Healthcare Solutions Private Limited	12.44	5.86	12.44	5.86	-
<b>Rent receivable</b>					
Curever Pharma Private Limited	-	0.86	-	1.73	-
Quomed Life Sciences Private Limited	0.04	0.03	0.04	0.02	-
Rimedio Pharma Private Limited	0.04	0.03	0.04	0.03	-
<b>2 Novacare Healthcare Solutions Private Limited</b>					
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	298.72	93.38	165.44	152.70	97.37
G.S. Pharmaceuticals Distributors Private Limited	0.10	(0.02)	(0.03)	(0.06)	(0.01)
R S M Pharma Private Limited	(0.05)	(0.08)	(0.05)	(0.09)	(0.09)
Getwell Medicare Solution Private Limited	4.88	-	2.40	1.33	0.29
Chhabra Healthcare Solutions Private Limited	-	0.70	-	(0.59)	-

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

G. Details of Related Party balances eliminated during the year while preparing the restated consolidated financial information

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Galaxystar Pharma Distributors Private Limited	(0.10)	(0.17)	(0.09)	(0.04)	(0.03)
Avenues Pharma Distributors Private Limited	0.68	0.70	0.71	0.64	0.18
Jaggi Enterprises Private Limited	5.72	2.76	2.69	0.92	0.96
Millennium Medisolutions Private Limited	1.07	0.90	1.55	0.44	-
SVMED Solutions Private Limited	-	-	0.38	-	-
Sesha Balajee Medisolutions Private Limited	0.15	0.15	0.15	-	-
Sri Parshva Pharma Distributors Private Limited	2.92	-	0.08	-	-
SVS Lifesciences Private Limited	0.18	-	0.05	-	-
Sundarlal Pharma Distributors Private Limited	(0.00)	-	-	-	-
Rada Medisolutions Private Limited	0.00	0.02	-	-	-
Curever Pharma Private Limited	(2.90)	(11.22)	-	-	-
<b>Trade Receivables</b>					
Entero Healthcare Solutions Limited	118.05	29.11	26.55	12.82	11.94
G.S. Pharmaceuticals Distributors Private Limited	(0.12)	(0.09)	(0.12)	(0.14)	(0.05)
R S M Pharma Private Limited	0.43	0.43	0.43	0.73	0.11
Getwell Medicare Solution Private Limited	15.69	19.73	3.72	5.01	0.80
Chhabra Healthcare Solutions Private Limited	(0.11)	0.11	(0.11)	1.53	-
Avenues Pharma Distributors Private Limited	0.55	0.56	0.43	0.63	1.47
Chirag Medicare Solutions Private Limited	0.41	0.20	0.10	0.05	-
Jaggi Enterprises Private Limited	0.02	0.08	0.02	1.29	-
Vasavi Medicare Solutions Private Limited	0.11	0.11	0.11	0.19	0.22
SVMED Solutions Private Limited	0.71	(0.20)	0.20	0.21	0.29
Chethana Pharma Private Limited	0.34	0.34	0.05	0.05	-
Millennium Medisolutions Private Limited	0.40	(0.22)	0.21	0.86	-
Rada Medisolutions Private Limited	0.10	0.18	(0.17)	0.23	-
Sesha Balajee Medisolutions Private Limited	1.99	1.59	2.05	0.82	0.31
Barros Enterprises Private Limited	0.05	0.10	-	0.09	-
CPD Pharma Private Limited	0.18	0.18	(0.18)	0.09	-
Atreja Healthcare Solutions Private Limited	0.01	0.01	(0.06)	0.03	-
City Pharma Distributors Private Limited	0.02	0.39	(0.02)	-	-
Swami Medisolutions Private Limited	-	-	0.30	-	-
Sri Parshva Pharma Distributors Private Limited	2.46	0.03	1.58	-	-
Saurashtra Medisolutions Private Limited	-	-	0.58	-	-
SVS Lifesciences Private Limited	1.11	-	0.97	-	-
S.S. Pharma Traders Private Limited	0.80	-	-	-	-
Chethana Healthcare Solutions Private Limited	0.05	-	-	-	-
Sree Venkateshwara Medisolutions Private Limited	(0.07)	0.07	-	-	-
Curever Pharma Private Limited	2.26	-	-	-	-
<b>Commission receivable</b>					
Entero Healthcare Solutions Limited	12.44	5.86	12.44	5.86	-
Curever Pharma Private Limited	2.05	0.81	2.05	0.81	-
<b>Reimbursement of expenses</b>					
Curever Pharma Private Limited	2.35	2.35	2.35	2.35	-
Jaggi Enterprises Private Limited	1.53	0.87	1.26	-	-
<b>Rent receivable</b>					
Curever Pharma Private Limited	0.21	0.16	0.21	0.16	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	281.44	221.44	221.44	215.94	239.90
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	51.22	34.15	45.64	19.51	16.05
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	448.20	428.68	431.05	433.44	351.61

3 G.S. Pharmaceuticals Distributors Private Limited

<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	5.02	6.71	4.42	11.60	2.67
Novacare Healthcare Solutions Private Limited	(0.12)	(0.09)	(0.12)	(0.14)	(0.05)
R S M Pharma Private Limited	(0.02)	(0.02)	0.12	(0.02)	(0.01)
Sundarlal Pharma Distributors Private Limited	(0.62)	(1.08)	(0.62)	(0.78)	0.41
Galaxystar Pharma Distributors Private Limited	13.50	2.11	8.73	0.29	0.74
Avenues Pharma Distributors Private Limited	0.02	(0.01)	0.10	(0.01)	(0.70)
Jaggi Enterprises Private Limited	-	(0.02)	-	(0.02)	(0.02)
SVMED Solutions Private Limited	(0.52)	(0.11)	(0.47)	0.71	(0.35)
Millennium Medisolutions Private Limited	-	0.08	0.08	0.08	-
Chhabra Healthcare Solutions Private Limited	0.52	(0.01)	1.61	-	-
Sree Venkateshwara Medisolutions Private Limited	0.24	-	1.90	-	-
Curever Pharma Private Limited	-	-	0.02	-	-
Vasavi Medicare Solutions Private Limited	0.01	-	-	-	-

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

G. Details of Related Party balances eliminated during the year while preparing the restated consolidated financial information

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Rada Medisolutions Private Limited	0.00	-	-	-	-
Saurashtra Medisolutions Private Limited	0.00	-	-	-	-
<b>Trade Receivables</b>					
Entero Healthcare Solutions Limited	(0.38)	2.48	2.89	2.04	-
Novacare Healthcare Solutions Private Limited	0.10	(0.02)	(0.03)	(0.06)	(0.01)
R S M Pharma Private Limited	(0.03)	0.01	0.41	0.09	0.02
Sundarlal Pharma Distributors Private Limited	(0.64)	(1.00)	(1.14)	(0.78)	(0.13)
Chhabra Healthcare Solutions Private Limited	0.75	(0.03)	0.75	(0.03)	-
Galaxystar Pharma Distributors Private Limited	(0.98)	(0.46)	(0.94)	0.06	0.13
Avenues Pharma Distributors Private Limited	0.02	-	0.12	-	-
Vasavi Medicare Solutions Private Limited	0.35	-	0.27	-	0.16
SVMED Solutions Private Limited	(0.00)	0.29	0.10	-	-
Chethana Pharma Private Limited	0.04	-	(0.01)	-	-
Millennium Medisolutions Private Limited	0.13	0.05	0.68	-	-
Rada Medisolutions Private Limited	-	-	0.57	-	-
Barros Enterprises Private Limited	0.10	0.84	0.30	0.01	-
Calcutta Medisolutions Private Limited	-	-	0.19	-	-
City Pharma Distributors Private Limited	-	-	0.02	-	-
Saurashtra Medisolutions Private Limited	0.19	-	0.10	-	-
Chirag Medicare Solutions Private Limited	0.07	-	-	-	-
Western Healthcare Solutions Private Limited	0.42	-	-	-	-
Sesha Balajee Medisolutions Private Limited	-	0.13	-	-	-
Sree Venkateshwara Medisolutions Private Limited	-	(0.00)	-	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	132.50	128.69	118.00	125.69	70.19
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	19.17	18.04	14.18	17.82	10.67
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	130.46	83.60	112.86	72.65	73.25
<b>4 R S M Pharma Private Limited</b>	-	-	-	-	-
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	6.71	2.61	5.19	2.81	2.21
Novacare Healthcare Solutions Private Limited	0.43	0.43	0.43	0.73	0.11
G.S. Pharmaceuticals Distributors Private Limited	(0.03)	0.01	0.41	0.09	0.02
Sundarlal Pharma Distributors Private Limited	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)
Chhabra Healthcare Solutions Private Limited	0.11	(0.00)	0.77	-	-
Galaxystar Pharma Distributors Private Limited	(0.01)	(0.01)	0.30	0.51	(0.01)
Avenues Pharma Distributors Private Limited	3.88	6.40	1.85	0.18	7.08
Jaggi Enterprises Private Limited	-	-	-	0.04	0.04
Vasavi Medicare Solutions Private Limited	0.16	0.01	0.01	0.01	0.01
SVMED Solutions Private Limited	-	-	-	0.03	0.03
Sri Parshva Pharma Distributors Private Limited	(0.02)	(0.03)	(0.11)	0.23	-
Sesha Balajee Medisolutions Private Limited	-	0.13	0.13	-	-
Millennium Medisolutions Private Limited	0.24	-	-	-	-
Sree Venkateshwara Medisolutions Private Limited	0.52	-	-	-	-
<b>Trade Receivables</b>					
Novacare Healthcare Solutions Private Limited	(0.05)	(0.08)	(0.05)	(0.09)	(0.09)
G.S. Pharmaceuticals Distributors Private Limited	(0.02)	(0.02)	0.12	(0.02)	(0.01)
Avenues Pharma Distributors Private Limited	(0.93)	22.16	0.96	2.38	20.97
Jaggi Enterprises Private Limited	-	-	-	0.21	0.24
Sesha Balajee Medisolutions Private Limited	0.11	-	-	0.15	-
Barros Enterprises Private Limited	0.02	(0.00)	0.03	-	-
Sree Venkateshwara Medisolutions Private Limited	(0.15)	0.17	-	1.05	-
City Pharma Distributors Private Limited	1.90	1.17	2.35	-	-
Sri Parshva Pharma Distributors Private Limited	(0.03)	-	(0.04)	-	-
Getwell Medicare Solution Private Limited	0.39	-	-	-	-
Galaxystar Pharma Distributors Private Limited	(0.00)	(0.00)	-	-	-
Chirag Medicare Solutions Private Limited	(0.00)	-	-	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	153.67	117.06	112.08	112.06	164.12
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	8.00	7.29	3.30	12.50	11.44
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	218.58	227.38	165.29	189.16	106.35
<b>5 Getwell Medicare Solution Private Limited</b>	-	-	-	-	-
<b>Trade Payables</b>					

**Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)**

**Annexure V - Notes to Restated Consolidated Financial Information**

(₹ in million, unless otherwise stated)

**G. Details of Related Party balances eliminated during the year while preparing the restated consolidated financial information**

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Entero Healthcare Solutions Limited	32.86	52.63	8.88	41.47	4.67
Novacare Healthcare Solutions Private Limited	15.69	19.73	3.72	5.01	0.80
Vasavi Medicare Solutions Private Limited	0.17	(0.03)	0.17	(0.02)	(0.01)
Curever Pharma Private Limited	(0.30)	0.31	-	3.11	-
R S M Pharma Private Limited	0.39	-	-	-	-
Chhabra Healthcare Solutions Private Limited	(0.00)	(0.00)	-	-	-
Avenues Pharma Distributors Private Limited	0.04	-	-	-	-
Barros Enterprises Private Limited	(0.02)	-	-	-	-
Sri Parshva Pharma Distributors Private Limited	0.06	-	-	-	-
<b>Trade Receivables</b>					
Entero Healthcare Solutions Limited	0.30	-	0.27	-	-
Novacare Healthcare Solutions Private Limited	4.88	-	2.40	1.33	0.29
Jaggi Enterprises Private Limited	0.06	0.06	0.06	0.09	0.27
Vasavi Medicare Solutions Private Limited	-	-	-	-	0.01
Barros Enterprises Private Limited	-	-	0.15	-	-
Western Healthcare Solutions Private Limited	0.03	(0.00)	0.14	0.02	-
Saurashtra Medisolutions Private Limited	-	-	1.11	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	73.13	106.13	68.13	106.13	106.13
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	3.35	6.92	2.70	6.75	9.36
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	224.49	110.52	211.81	76.74	87.11
<b>6 Sundarlal Pharma Distributors Private Limited</b>	-				
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	0.30	0.31	0.30	0.45	0.38
G.S. Pharmaceuticals Distributors Private Limited	(0.64)	(1.00)	(1.14)	(0.78)	(0.13)
Galaxystar Pharma Distributors Private Limited	(0.72)	(3.17)	(0.56)	3.55	5.76
Jaggi Enterprises Private Limited	(0.05)	(0.05)	(0.05)	(0.05)	(0.05)
SVMED Solutions Private Limited	0.00	0.07	0.02	0.22	0.14
Avenues Pharma Distributors Private Limited	-	-	-	-	(0.11)
<b>Trade Receivables</b>					
G.S. Pharmaceuticals Distributors Private Limited	(0.62)	(1.08)	(0.62)	(0.78)	0.41
R S M Pharma Private Limited	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)
Chhabra Healthcare Solutions Private Limited	(0.03)	(0.03)	(0.03)	(0.03)	-
Galaxystar Pharma Distributors Private Limited	21.17	20.11	46.30	0.30	5.19
Novacare Healthcare Solutions Private Limited	(0.00)	-	-	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	94.89	79.62	79.62	79.62	79.62
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	6.07	8.14	12.27	12.86	7.08
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	-	15.86	20.56	21.16	27.74
<b>7 Chhabra Healthcare Solutions Private Limited</b>	-				
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	9.43	0.95	0.95	4.21	2.33
Novacare Healthcare Solutions Private Limited	(0.11)	0.11	(0.11)	1.53	-
G.S. Pharmaceuticals Distributors Private Limited	0.75	(0.03)	0.75	(0.03)	-
Sundarlal Pharma Distributors Private Limited	(0.03)	(0.03)	(0.03)	(0.03)	-
Jaggi Enterprises Private Limited	0.47	0.47	0.47	0.47	-
Millennium Medisolutions Private Limited	1.93	5.52	1.32	4.74	1.62
Sesha Balajee Medisolutions Private Limited	-	-	-	0.27	-
Galaxystar Pharma Distributors Private Limited	1.19	-	1.89	-	-
Avenues Pharma Distributors Private Limited	0.02	-	0.02	-	-
Rada Medisolutions Private Limited	0.07	-	1.11	-	-
Sree Venkateshwara Medisolutions Private Limited	0.74	-	0.49	-	-
Saurashtra Medisolutions Private Limited	-	-	0.10	-	-
Vasavi Medicare Solutions Private Limited	0.04	-	-	-	-
<b>Trade Receivables</b>					
Entero Healthcare Solutions Limited	2.90	0.96	(1.29)	4.31	6.08
Novacare Healthcare Solutions Private Limited	-	0.70	-	(0.59)	-
G.S. Pharmaceuticals Distributors Private Limited	0.52	(0.01)	1.61	-	-



Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

G. Details of Related Party balances eliminated during the year while preparing the restated consolidated financial information

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
R S M Pharma Private Limited	0.11	(0.00)	0.77	-	-
Galaxystar Pharma Distributors Private Limited	1.37	-	0.47	-	-
Avenues Pharma Distributors Private Limited	(0.03)	-	0.63	-	-
Chirag Medicare Solutions Private Limited	(0.01)	-	(0.01)	-	-
Jaggi Enterprises Private Limited	1.15	0.14	0.17	0.14	0.32
Vasavi Medicare Solutions Private Limited	0.06	-	0.03	-	-
SVMED Solutions Private Limited	0.03	-	0.30	-	-
Millennium Medisolutions Private Limited	0.43	5.48	1.92	4.19	3.07
Rada Medisolutions Private Limited	0.23	(0.02)	1.02	-	0.06
Chethana Pharma Distributors Private Limited	(0.00)	-	0.13	-	-
Sree Venkateshwara Medisolutions Private Limited	0.55	-	0.20	-	-
Calcutta Medisolutions Private Limited	-	-	0.19	-	-
City Pharma Distributors Private Limited	(0.02)	-	0.01	-	-
Swami Medisolutions Private Limited	2.02	-	-	-	-
Getwell Medicare Solution Private Limited	(0.00)	(0.00)	-	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	107.38	96.44	109.94	80.94	80.94
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	7.26	11.49	13.44	5.83	6.13
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	85.45	52.74	53.99	39.48	39.29
<b>8 Galaxystar Pharma Distributors Private Limited</b>					
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	15.24	(0.01)	4.94	0.78	(0.15)
G.S. Pharmaceuticals Distributors Private Limited	(0.98)	(0.46)	(0.94)	0.06	0.13
Sundarlal Pharma Distributors Private Limited	21.17	20.11	46.30	0.30	5.19
SVMED Solutions Private Limited	(1.63)	-	(0.69)	-	(0.14)
Chhabra Healthcare Solutions Private Limited	1.37	-	0.47	-	-
Rada Medisolutions Private Limited	0.24	-	0.56	-	-
Saurashtra Medisolutions Private Limited	-	-	0.25	-	-
R S M Pharma Private Limited	(0.00)	(0.00)	-	-	-
Vasavi Medicare Solutions Private Limited	0.18	-	-	-	-
Sree Venkateshwara Medisolutions Private Limited	0.71	-	-	-	-
Atreja Healthcare Solutions Private Limited	0.00	0.00	-	-	-
Barros Enterprises Private Limited	-	0.00	-	-	-
<b>Trade Receivables</b>					
Entero Healthcare Solutions Limited	25.34	2.47	1.46	1.74	-
Novacare Healthcare Solutions Private Limited	(0.10)	(0.17)	(0.09)	(0.04)	(0.03)
G.S. Pharmaceuticals Distributors Private Limited	13.50	2.11	8.73	0.29	0.74
R S M Pharma Private Limited	(0.01)	(0.01)	0.30	0.51	(0.01)
Sundarlal Pharma Distributors Private Limited	(0.72)	(3.17)	(0.56)	3.55	5.76
Chhabra Healthcare Solutions Private Limited	1.19	-	1.89	-	-
Vasavi Medicare Solutions Private Limited	0.19	(0.06)	(0.19)	-	(0.02)
SVMED Solutions Private Limited	(0.00)	0.03	0.31	(0.05)	-
Millennium Medisolutions Private Limited	1.11	-	0.19	-	-
Rada Medisolutions Private Limited	0.05	0.01	0.09	-	-
Barros Enterprises Private Limited	(0.13)	1.33	1.63	0.04	-
Chethana Pharma Distributors Private Limited	(0.06)	-	0.84	-	-
Sree Venkateshwara Medisolutions Private Limited	0.01	-	0.64	-	-
Calcutta Medisolutions Private Limited	1.33	0.93	1.06	-	-
Saurashtra Medisolutions Private Limited	0.13	0.53	0.15	-	-
Avenues Pharma Distributors Private Limited	1.32	-	-	-	-
Jaggi Enterprises Private Limited	0.79	-	-	-	-
Atreja Healthcare Solutions Private Limited	0.77	-	-	-	-
City Pharma Distributors Private Limited	(0.00)	-	-	-	-
SVS Lifesciences Private Limited	2.67	-	-	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	70.54	55.54	55.54	72.44	87.69
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	3.78	4.08	-	6.29	10.75
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	153.68	109.36	104.29	84.01	83.85
<b>9 Avenues Pharma Distributors Private Limited</b>					
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	10.61	4.77	5.28	4.40	0.13
Novacare Healthcare Solutions Private Limited	0.55	0.56	0.43	0.63	1.47
R S M Pharma Private Limited	(0.93)	22.16	0.96	2.38	20.97

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

G. Details of Related Party balances eliminated during the year while preparing the restated consolidated financial information

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Chirag Medicare Solutions Private Limited	(0.00)	(0.04)	(0.02)	-	(0.01)
Rada Medisolutions Private Limited	(0.01)	0.10	0.73	0.10	-
Curever Pharma Private Limited	(0.16)	(0.16)	(0.16)	(0.16)	-
Chhabra Healthcare Solutions Private Limited	(0.03)	-	0.63	-	-
Sesha Balajee Medisolutions Private Limited	0.12	0.47	0.12	-	-
Barros Enterprises Private Limited	-	-	0.08	-	-
Sree Venkateshwara Medisolutions Private Limited	0.40	-	0.39	-	-
Sri Parshva Pharma Distributors Private Limited	0.44	0.64	0.23	-	-
Saurashtra Medisolutions Private Limited	-	-	0.20	-	-
G.S. Pharmaceuticals Distributors Private Limited	0.02	-	0.12	-	-
Galaxystar Pharma Distributors Private Limited	1.32	-	-	-	-
Vasavi Medicare Solutions Private Limited	0.12	-	-	-	-
SVMED Solutions Private Limited	(0.00)	(0.00)	-	-	-
<b>Trade Receivables</b>					
Entero Healthcare Solutions Limited	0.01	-	0.01	-	-
Novacare Healthcare Solutions Private Limited	0.68	0.70	0.71	0.64	0.18
G.S. Pharmaceuticals Distributors Private Limited	0.02	(0.01)	0.10	(0.01)	(0.70)
R S M Pharma Private Limited	3.88	6.40	1.85	0.18	7.08
Sundarlal Pharma Distributors Private Limited	-	-	-	-	(0.11)
Chhabra Healthcare Solutions Private Limited	0.02	-	0.02	-	-
Chirag Medicare Solutions Private Limited	0.26	-	0.12	-	0.01
Vasavi Medicare Solutions Private Limited	-	-	-	-	(0.06)
SVMED Solutions Private Limited	(0.01)	0.28	0.11	(0.03)	0.86
Chethana Pharma Private Limited	0.04	(0.00)	0.03	-	0.11
Millennium Medisolutions Private Limited	0.12	0.08	0.10	0.08	-
Rada Medisolutions Private Limited	0.01	0.06	0.01	(0.02)	0.19
Sesha Balajee Medisolutions Private Limited	0.24	0.47	0.46	0.11	0.05
Barros Enterprises Private Limited	(0.09)	(0.05)	-	0.11	-
Sree Venkateshwara Medisolutions Private Limited	(0.69)	(0.10)	-	0.58	-
City Pharma Distributors Private Limited	0.02	(0.00)	0.04	0.86	-
Sri Parshva Pharma Distributors Private Limited	(0.03)	-	0.08	-	-
Getwell Medicare Solution Private Limited	0.04	-	-	-	-
Chethana Pharma Distributors Private Limited	(0.00)	-	-	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	343.10	341.10	343.10	321.10	311.10
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	61.55	81.35	59.18	69.91	49.33
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	356.70	307.50	330.86	250.28	246.48
<b>10 Chirag Medicare Solutions Private Limited</b>					
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	4.71	0.38	0.61	0.15	(0.04)
Novacare Healthcare Solutions Private Limited	0.41	0.20	0.10	0.05	-
Rada Medisolutions Private Limited	0.01	0.03	0.01	0.03	0.03
Chethana Pharma Distributors Private Limited	5.52	1.32	-	0.81	0.08
Curever Pharma Private Limited	(0.05)	(0.05)	(0.05)	-	-
Avenues Pharma Distributors Private Limited	0.26	-	0.12	-	0.01
Chhabra Healthcare Solutions Private Limited	(0.01)	-	(0.01)	-	-
Atreja Healthcare Solutions Private Limited	-	0.02	0.02	-	-
G.S. Pharmaceuticals Distributors Private Limited	0.07	-	-	-	-
R S M Pharma Private Limited	(0.00)	-	-	-	-
Chhabra Healthcare Solutions Private Limited	0.01	0.04	-	-	-
Vasavi Medicare Solutions Private Limited	0.00	-	-	-	-
Chethana Pharma Private Limited	0.05	1.25	-	-	-
Sree Venkateshwara Medisolutions Private Limited	0.11	-	-	-	-
<b>Trade Receivables</b>					
Avenues Pharma Distributors Private Limited	(0.00)	(0.04)	(0.02)	-	(0.01)
Vasavi Medicare Solutions Private Limited	0.00	0.27	0.15	-	0.12
Rada Medisolutions Private Limited	0.02	(0.00)	-	-	(0.04)
Barros Enterprises Private Limited	0.02	0.08	(0.02)	-	-
Chethana Pharma Distributors Private Limited	9.40	17.77	12.39	20.20	17.97
Chethana Healthcare Solutions Private Limited	0.01	0.30	-	-	-
Chethana Pharma Private Limited	0.01	0.96	-	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	41.58	80.58	21.58	90.58	110.58
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	1.54	5.45	-	7.18	8.00

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

G. Details of Related Party balances eliminated during the year while preparing the restated consolidated financial information

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	116.13	93.71	125.47	84.29	96.83
<b>11 Jaggi Enterprises Private Limited</b>					
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	11.38	7.92	8.17	10.72	4.24
Novacare Healthcare Solutions Private Limited	0.02	0.08	0.02	1.29	-
R S M Pharma Private Limited	-	-	-	0.21	0.24
Getwell Medicare Solution Private Limited	0.06	0.06	0.06	0.09	0.27
Chhabra Healthcare Solutions Private Limited	1.15	0.14	0.17	0.14	0.32
Millennium Medisolutions Private Limited	1.56	3.67	1.06	3.18	5.72
Rada Medisolutions Private Limited	-	-	0.11	-	-
	0.79	-	-	-	-
Sree Venkateshwara Medisolutions Private Limited	0.55	-	-	-	-
Saurashtra Medisolutions	0.00	-	-	-	-
<b>Trade Receivables</b>					
Entero Healthcare Solutions Limited	1.41	1.66	1.48	1.32	0.77
Novacare Healthcare Solutions Private Limited	5.72	2.76	2.69	0.92	0.96
G.S. Pharmaceuticals Distributors Private Limited	-	(0.02)	-	(0.02)	(0.02)
R S M Pharma Private Limited	-	-	-	0.04	0.04
Sundarlal Pharma Distributors Private Limited	(0.05)	(0.05)	(0.05)	(0.05)	(0.05)
Chhabra Healthcare Solutions Private Limited	0.47	0.47	0.47	0.47	-
Millennium Medisolutions Private Limited	1.68	2.84	0.56	2.68	4.24
Barros Enterprises Private Limited	-	0.56	0.44	-	-
Atreja Healthcare Solutions Private Limited	0.82	-	-	-	-
Swami Medisolutions Private Limited	0.63	-	-	-	-
Rada Medisolutions Private Limited	-	0.07	-	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	162.07	158.07	157.07	158.07	153.07
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	34.35	30.61	23.98	25.91	14.77
<b>Reimbursement of expenses</b>					
Novacare Healthcare Solutions Private Limited	1.53	0.87	1.26	-	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	103.15	85.97	91.63	85.55	68.07
<b>12 Chethana Healthcare Solutions Private Limited</b>					
<b>Trade Payables</b>					
Curever Pharma Private Limited	(0.01)	(0.01)	(0.01)	-	-
Chethana Pharma Distributors Private Limited	-	-	-	-	(0.03)
Entero Healthcare Solutions Limited	1.37	-	0.11	-	-
Novacare Healthcare Solutions Private Limited	0.05	-	-	-	-
Chirag Medicare Solutions Private Limited	0.01	0.30	-	-	-
Vasavi Medicare Solutions Private Limited	0.00	-	-	-	-
Sree Venkateshwara Medisolutions Private Limited	0.04	-	-	-	-
Chethana Pharma Private Limited	-	0.01	-	-	-
<b>Trade Receivables</b>					
Chirag Medicare Solutions Private Limited	0.01	0.04	-	-	-
Chethana Pharma Private Limited	0.01	0.07	-	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	44.70	62.70	44.70	62.70	62.70
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	2.91	4.09	-	4.52	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	37.61	26.09	38.10	17.23	18.12
<b>13 Vasavi Medicare Solutions Private Limited</b>					
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	7.87	(0.17)	(0.15)	1.26	0.26
Novacare Healthcare Solutions Private Limited	0.11	0.11	0.11	0.19	0.22
Galaxystar Pharma Distributors Private Limited	0.19	(0.06)	(0.19)	-	(0.02)
Chirag Medicare Solutions Private Limited	0.00	0.27	0.15	-	0.12
SVMED Solutions Private Limited	(0.05)	0.00	(0.09)	0.19	0.14
Rada Medisolutions Private Limited	(0.05)	0.18	-	1.21	1.24
Curever Pharma Private Limited	(0.36)	(0.36)	0.36	(0.36)	-

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

G. Details of Related Party balances eliminated during the year while preparing the restated consolidated financial information

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
G.S. Pharmaceuticals Distributors Private Limited	0.35	-	0.27	-	0.16
Getwell Medicare Solution Private Limited	-	-	-	-	0.01
Avenues Pharma Distributors Private Limited	-	-	-	-	(0.06)
Sesha Balajee Medisolutions Private Limited	-	-	-	-	0.18
Chhabra Healthcare Solutions Private Limited	0.06	-	0.03	-	-
Saurashtra Medisolutions Private Limited	(0.00)	-	0.01	-	-
Millennium Medisolutions Private Limited	0.03	-	-	-	-
Chethana Pharma Distributors Private Limited	0.02	-	-	-	-
Sree Venkateshwara Medisolutions Private Limited	0.16	-	-	-	-
Chethana Pharma Private Limited	-	(0.00)	-	-	-
<b>Trade Receivables</b>					
R S M Pharma Private Limited	0.16	0.01	0.01	0.01	0.01
Getwell Medicare Solution Private Limited	0.17	(0.03)	0.17	(0.02)	(0.01)
Rada Medisolutions Private Limited	0.16	0.11	0.48	0.85	0.80
Entero Healthcare Solutions Limited	0.00	-	-	-	-
G.S. Pharmaceuticals Distributors Private Limited	0.01	-	-	-	-
Chhabra Healthcare Solutions Private Limited	0.04	-	-	-	-
Galaxystar Pharma Distributors Private Limited	0.18	-	-	-	-
Avenues Pharma Distributors Private Limited	0.12	-	-	-	-
Chirag Medicare Solutions Private Limited	0.00	-	-	-	-
Chethana Healthcare Solutions Private Limited	0.00	-	-	-	-
SVMED Solutions Private Limited	0.03	-	-	-	-
Chethana Pharma Private Limited	0.00	0.00	-	-	-
Millennium Medisolutions Private Limited	0.08	-	-	-	-
Chethana Pharma Distributors Private Limited	0.02	-	-	-	-
Sree Venkateshwara Medisolutions Private Limited	0.00	-	-	-	-
Calcutta Medisolutions Private Limited	0.02	-	-	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	165.59	113.04	118.54	112.04	131.28
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	9.49	15.45	17.55	8.10	9.27
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	75.00	82.18	76.83	61.11	-
<b>14 SVMED Solutions Private Limited</b>					
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	12.78	8.73	0.69	12.44	6.43
Novacare Healthcare Solutions Private Limited	0.71	(0.20)	0.20	0.21	0.29
Galaxystar Pharma Distributors Private Limited	(0.00)	0.03	0.31	(0.05)	-
Avenues Pharma Distributors Private Limited	(0.01)	0.28	0.11	(0.03)	0.86
Sesha Balajee Medisolutions Private Limited	1.36	0.38	0.50	0.03	0.12
Sree Venkateshwara Medisolutions Private Limited	0.07	-	0.30	0.06	-
Rada Medisolutions Private Limited	0.65	1.50	0.25	-	0.68
G.S. Pharmaceuticals Distributors Private Limited	(0.00)	0.29	0.10	-	-
Chhabra Healthcare Solutions Private Limited	0.03	-	0.30	-	-
Saurashtra Medisolutions Private Limited	-	-	0.10	-	-
Vasavi Medicare Solutions Private Limited	0.03	-	-	-	-
New RRPD Private Limited	0.11	-	-	-	-
Shri parshva Pharma Distributors private limited	0.26	-	-	-	-
Calcutta Medisolutions Private Limited	-	(0.00)	-	-	-
<b>Trade Receivables</b>					
Novacare Healthcare Solutions Private Limited	-	-	0.38	-	-
G.S. Pharmaceuticals Distributors Private Limited	(0.52)	(0.11)	(0.47)	0.71	(0.35)
R S M Pharma Private Limited	-	-	-	0.03	0.03
Sundarlal Pharma Distributors Private Limited	0.00	0.07	0.02	0.22	0.14
Galaxystar Pharma Distributors Private Limited	(1.63)	-	(0.69)	-	(0.14)
Vasavi Medicare Solutions Private Limited	(0.05)	0.00	(0.09)	0.19	0.14
Chethana Pharma Private Limited	-	0.06	0.06	-	-
Rada Medisolutions Private Limited	(0.03)	0.71	0.03	(0.03)	-
Sesha Balajee Medisolutions Private Limited	0.37	0.07	0.30	-	-
Sree Venkateshwara Medisolutions Private Limited	(0.45)	0.51	(0.24)	0.78	-
Calcutta Medisolutions Private Limited	(0.06)	(0.09)	(0.06)	-	-
Avenues Pharma Distributors Private Limited	(0.00)	(0.00)	-	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	194.75	115.31	136.31	107.59	138.58

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

G. Details of Related Party balances eliminated during the year while preparing the restated consolidated financial information

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	10.71	7.56	14.34	7.72	12.81
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	100.00	121.55	99.77	80.26	-
<b>15 Chethana Pharma Private Limited</b>					
<b>Trade Payables</b>					
Novacare Healthcare Solutions Private Limited	0.34	0.34	0.05	0.05	-
Avenues Pharma Distributors Private Limited	0.04	(0.00)	0.03	-	0.11
Chethana Pharma Distributors Private Limited	8.70	0.80	-	0.03	-
Curever Pharma Private Limited	(0.04)	(0.04)	(0.04)	0.02	-
Entero Healthcare Solutions Limited	1.75	0.01	0.36	-	0.03
SVMED Solutions Private Limited	-	0.06	0.06	-	-
G.S. Pharmaceuticals Distributors Private Limited	0.04	-	(0.01)	-	-
Chirag Medicare Solutions Private Limited	0.01	0.96	-	-	-
Chethana Healthcare Solutions Private Limited	0.01	0.07	-	-	-
Vasavi Medicare Solutions Private Limited	0.00	0.00	-	-	-
Rada Medisolutions Private Limited	0.00	0.00	-	-	-
Sree Venkateshwara Medisolutions Private Limited	0.11	-	-	-	-
<b>Trade Receivables</b>					
Chethana Pharma Distributors Private Limited	23.81	18.18	21.17	10.43	8.91
Rada Medisolutions Private Limited	-	(0.00)	-	-	(0.02)
Chirag Medicare Solutions Private Limited	0.05	1.25	-	-	-
Chethana Healthcare Solutions Private Limited	-	0.01	-	-	-
Vasavi Medicare Solutions Private Limited	-	(0.00)	-	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	35.15	69.15	15.15	99.15	99.15
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	1.12	5.12	-	7.16	15.14
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	120.44	99.89	131.82	59.42	99.86
<b>16 Millennium Medisolutions Private Limited</b>					
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	10.31	2.11	2.89	8.74	0.57
Novacare Healthcare Solutions Private Limited	0.40	(0.22)	0.21	0.86	-
Chhabra Healthcare Solutions Private Limited	0.43	5.48	1.92	4.19	3.07
Avenues Pharma Distributors Private Limited	0.12	0.08	0.10	0.08	-
Jaggi Enterprises Private Limited	1.68	2.84	0.56	2.68	4.24
Atreja Healthcare Solutions Private Limited	(0.63)	0.63	0.63	0.05	-
Barros Enterprises Private Limited	0.11	0.30	-	-	0.33
G.S. Pharmaceuticals Distributors Private Limited	0.13	0.05	0.68	-	-
Galaxystar Pharma Distributors Private Limited	1.11	-	0.19	-	-
Rada Medisolutions Private Limited	0.03	0.04	0.10	-	-
Sree Venkateshwara Medisolutions Private Limited	0.32	-	0.54	-	-
Saurashtra Medisolutions Private Limited	-	-	0.24	-	-
Vasavi Medicare Solutions Private Limited	0.08	-	-	-	-
Curever Pharma Private Limited	0.17	-	-	-	-
Sesha Balajee Medisolutions Private Limited	-	0.16	-	-	-
<b>Trade Receivables</b>					
Entero Healthcare Solutions Limited	3.28	6.20	4.06	30.52	2.41
Novacare Healthcare Solutions Private Limited	1.07	0.90	1.55	0.44	-
G.S. Pharmaceuticals Distributors Private Limited	-	0.08	0.08	0.08	-
Chhabra Healthcare Solutions Private Limited	1.93	5.52	1.32	4.74	1.62
Jaggi Enterprises Private Limited	1.56	3.67	1.06	3.18	5.72
Rada Medisolutions Private Limited	(0.04)	(0.04)	0.04	-	(0.04)
Calcutta Medisolutions Private Limited	0.15	(0.00)	0.68	-	-
Atreja Healthcare Solutions Private Limited	0.48	0.33	(0.57)	0.17	-
Swami Medisolutions Private Limited	0.00	-	0.07	-	-
R S M Pharma Private Limited	0.24	-	-	-	-
Vasavi Medicare Solutions Private Limited	0.03	-	-	-	-
Sesha Balajee Medisolutions Private Limited	0.04	-	-	-	-
Barros Enterprises Private Limited	0.08	-	-	-	-
SVS Lifesciences Private Limited	0.81	-	-	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	259.98	234.98	234.98	199.98	169.98
<b>Interest Payable</b>					

**Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)**

**Annexure V - Notes to Restated Consolidated Financial Information**

(₹ in million, unless otherwise stated)

**G. Details of Related Party balances eliminated during the year while preparing the restated consolidated financial information**

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Entero Healthcare Solutions Limited	36.23	27.82	40.12	13.70	14.11
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	143.91	129.82	121.47	128.55	84.46
<b>17 Rada Medisolutions Private Limited</b>					
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	5.01	6.27	1.19	10.02	5.72
Novacare Healthcare Solutions Private Limited	0.10	0.18	(0.17)	0.23	-
Chhabra Healthcare Solutions Private Limited	0.23	(0.02)	1.02	-	0.06
Galaxystar Pharma Distributors Private Limited	0.05	0.01	0.09	-	-
Avenues Pharma Distributors Private Limited	0.01	0.06	0.01	(0.02)	0.19
Chirag Medicare Solutions Private Limited	0.02	(0.00)	-	-	(0.04)
Vasavi Medicare Solutions Private Limited	0.16	0.11	0.48	0.85	0.80
SVMED Solutions Private Limited	(0.03)	0.71	0.03	(0.03)	-
CPD Pharma Private Limited	2.14	3.40	1.30	3.22	1.59
Curever Pharma Private Limited	(0.54)	(0.54)	0.54	(0.54)	-
New Siva Agencies Private Limited	0.12	0.27	0.97	0.55	-
New RRPD Private Limited	0.59	4.08	0.38	2.30	-
Millennium Medisolutions Private Limited	(0.04)	(0.04)	0.04	-	(0.04)
Chethana Pharma Private Limited	-	(0.00)	-	-	(0.02)
Sesha Balajee Medisolutions Private Limited	-	0.15	0.43	-	-
Saurashtra Medisolutions Private Limited	-	-	0.07	-	-
G.S. Pharmaceuticals Distributors Private Limited	-	-	0.57	-	-
Sree Venkateshwara Medisolutions Private Limited	0.32	-	-	-	-
Jaggi Enterprises Private Limited	-	0.07	-	-	-
Barros Enterprises Private Limited	-	0.39	-	-	-
Calcutta Medisolutions Private Limited	-	(0.02)	-	-	-
Atreja Healthcare Solutions Private Limited	-	0.04	-	-	-
<b>Trade Receivables</b>					
Entero Healthcare Solutions Limited	-	-	0.09	-	-
Chhabra Healthcare Solutions Private Limited	0.07	-	1.11	-	-
Galaxystar Pharma Distributors Private Limited	0.24	-	0.56	-	-
Avenues Pharma Distributors Private Limited	(0.01)	0.10	0.73	0.10	-
Chirag Medicare Solutions Private Limited	0.01	0.03	0.01	0.03	0.03
Jaggi Enterprises Private Limited	-	-	0.11	-	-
Vasavi Medicare Solutions Private Limited	(0.05)	0.18	-	1.21	1.24
SVMED Solutions Private Limited	0.65	1.50	0.25	-	0.68
Millennium Medisolutions Private Limited	0.03	0.04	0.10	-	-
Sesha Balajee Medisolutions Private Limited	-	-	-	0.40	0.34
Chethana Pharma Distributors Private Limited	(0.02)	-	0.04	-	-
Sree Venkateshwara Medisolutions Private Limited	0.00	-	0.13	-	-
CPD Pharma Private Limited	0.75	0.17	0.68	0.37	1.34
New Siva Agencies Private Limited	0.01	(0.01)	0.01	0.07	-
New RRPD Private Limited	0.95	(0.11)	0.13	-	-
Novacare Healthcare Solutions Private Limited	0.00	0.02	-	-	-
G.S. Pharmaceuticals Distributors Private Limited	0.00	-	-	-	-
Chethana Pharma Private Limited	0.00	0.00	-	-	-
Calcutta Medisolutions Private Limited	(0.00)	(0.00)	-	-	-
Barros Enterprises Private Limited	(0.00)	0.01	-	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	75.01	114.40	65.35	95.90	90.90
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	4.73	12.22	2.07	15.05	8.29
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	93.00	-	65.98	-	-
<b>18 Sesha Balajee Medisolutions Private Limited</b>					
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	3.94	1.68	0.35	1.97	0.77
Novacare Healthcare Solutions Private Limited	1.99	1.59	2.05	0.82	0.31
R S M Pharma Private Limited	0.11	-	-	0.15	-
Avenues Pharma Distributors Private Limited	0.24	0.47	0.46	0.11	0.05
Rada Medisolutions Private Limited	-	-	-	0.40	0.34
SVMED Solutions Private Limited	0.37	0.07	0.30	-	-
Millennium Medisolutions Private Limited	0.04	-	-	-	-
Sree Venkateshwara Medisolutions Private Limited	0.15	-	-	-	-
G.S. Pharmaceuticals Distributors Private Limited	-	0.13	-	-	-
<b>Trade Receivables</b>					

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

G. Details of Related Party balances eliminated during the year while preparing the restated consolidated financial information

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Entero Healthcare Solutions Limited	1.30	-	(0.04)	-	-
Novacare Healthcare Solutions Private Limited	0.15	0.15	0.15	-	-
R S M Pharma Private Limited	-	0.13	0.13	-	-
Chhabra Healthcare Solutions Private Limited	-	-	-	0.27	-
Avenues Pharma Distributors Private Limited	0.12	0.47	0.12	-	-
Vasavi Medicare Solutions Private Limited	-	-	-	-	0.18
SVMED Solutions Private Limited	1.36	0.38	0.50	0.03	0.12
Rada Medisolutions Private Limited	-	0.15	0.43	-	-
Sree Venkateshwara Medisolutions Private Limited	0.15	0.02	0.07	-	-
Millennium Medisolutions Private Limited	-	0.16	-	-	-
Calcutta Medisolutions Private Limited	-	0.09	-	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	159.96	127.36	127.36	124.36	143.75
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	9.87	16.98	20.60	8.85	10.01
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	75.00	63.01	55.34	48.03	-
<b>19 Barros Enterprises Private Limited</b>					
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	0.40	0.39	0.35	0.29	0.21
Novacare Healthcare Solutions Private Limited	0.05	0.10	-	0.09	-
G.S. Pharmaceuticals Distributors Private Limited	0.10	0.84	0.30	0.01	-
Galaxystar Pharma Distributors Private Limited	(0.13)	1.33	1.63	0.04	-
Avenues Pharma Distributors Private Limited	(0.09)	(0.05)	-	0.11	-
Atreja Healthcare Solutions Private Limited	(0.00)	0.20	-	0.09	-
R S M Pharma Private Limited	0.02	(0.00)	0.03	-	-
Getwell Medicare Solution Private Limited	-	-	0.15	-	-
Chirag Medicare Solutions Private Limited	0.02	0.08	(0.02)	-	-
Jaggi Enterprises Private Limited	-	0.56	0.44	-	-
Millennium Medisolutions Private Limited	0.08	-	-	-	-
Rada Medisolutions Private Limited	-	0.01	-	-	-
<b>Trade Receivables</b>					
Avenues Pharma Distributors Private Limited	-	-	0.08	-	-
Millennium Medisolutions Private Limited	0.11	0.30	-	-	0.33
Atreja Healthcare Solutions Private Limited	0.00	0.00	-	0.51	-
Entero Healthcare Solutions Limited	(0.01)	-	-	-	-
Getwell Medicare Solution Private Limited	(0.02)	-	-	-	-
Chethana Pharma Distributors Private Limited	(0.01)	-	-	-	-
Galaxystar Pharma Distributors Private Limited	-	0.00	-	-	-
Rada Medisolutions Private Limited	-	0.39	-	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	63.65	76.53	69.03	81.53	126.53
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	4.26	5.07	2.12	7.21	9.99
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	41.77	35.50	39.61	34.61	-
<b>20 Chethana Pharma Distributors Private Limited</b>					
<b>Trade Payables</b>					
Chirag Medicare Solutions Private Limited	9.40	17.77	12.39	20.20	17.97
Chethana Pharma Private Limited	23.81	18.18	21.17	10.43	8.91
Entero Healthcare Solutions Limited	0.73	-	0.09	-	-
Chhabra Healthcare Solutions Private Limited	(0.00)	-	0.13	-	-
Galaxystar Pharma Distributors Private Limited	(0.06)	-	0.84	-	-
Rada Medisolutions Private Limited	(0.02)	-	0.04	-	-
Avenues Pharma Distributors Private Limited	(0.00)	-	-	-	-
Vasavi Medicare Solutions Private Limited	0.02	-	-	-	-
Barros Enterprises Private Limited	(0.01)	-	-	-	-
Sree Venkateshwara Medisolutions Private Limited	(0.00)	-	-	-	-
Saurashtra Medisolutions Private Limited	(0.00)	-	-	-	-
<b>Trade Receivables</b>					
Chirag Medicare Solutions Private Limited	5.52	1.32	-	0.81	0.08
Chethana Healthcare Solutions Private Limited	-	-	-	-	(0.03)
Chethana Pharma Private Limited	8.70	0.80	-	0.03	-
Vasavi Medicare Solutions Private Limited	0.02	-	-	-	-
<b>Loans Taken</b>					

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

G. Details of Related Party balances eliminated during the year while preparing the restated consolidated financial information

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Entero Healthcare Solutions Limited	15.50	11.00	15.00	11.00	10.50
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	3.50	1.86	2.51	1.14	0.38
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	-	-	-	-	-
<b>21 Sree Venkateshwara Medisolutions Private Limited</b>					
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	5.81	1.99	0.27	4.67	2.08
R S M Pharma Private Limited	(0.15)	0.17	-	1.05	-
Avenues Pharma Distributors Private Limited	(0.69)	(0.10)	-	0.58	-
SVMED Solutions Private Limited	(0.45)	0.51	(0.24)	0.78	-
Chhabra Healthcare Solutions Private Limited	0.55	-	0.20	-	-
Galaxystar Pharma Distributors Private Limited	0.01	-	0.64	-	-
Rada Medisolutions Private Limited	0.00	-	0.13	-	-
Sesha Balajee Medisolutions Private Limited	0.15	0.02	0.07	-	-
Novacare Healthcare Solutions Private Limited	(0.07)	0.07	-	-	-
Vasavi Medicare Solutions Private Limited	0.00	-	-	-	-
Saurashtra Medisolutions Private Limited	0.00	-	-	-	-
G.S. Pharmaceuticals Distributors Private Limited	-	(0.00)	-	-	-
<b>Trade Receivables</b>					
Entero Healthcare Solutions Limited	0.06	-	0.09	-	-
G.S. Pharmaceuticals Distributors Private Limited	0.24	-	1.90	-	-
Chhabra Healthcare Solutions Private Limited	0.74	-	0.49	-	-
Avenues Pharma Distributors Private Limited	0.40	-	0.39	-	-
SVMED Solutions Private Limited	0.07	-	0.30	0.06	-
Millennium Medisolutions Private Limited	0.32	-	0.54	-	-
R S M Pharma Private Limited	0.52	-	-	-	-
Galaxystar Pharma Distributors Private Limited	0.71	-	-	-	-
Chirag Medicare Solutions Private Limited	0.11	-	-	-	-
Jaggi Enterprises Private Limited	0.55	-	-	-	-
Chethana Healthcare Solutions Private Limited	0.04	-	-	-	-
Vasavi Medicare Solutions Private Limited	0.16	-	-	-	-
Chethana Pharma Private Limited	0.11	-	-	-	-
Rada Medisolutions Private Limited	0.32	-	-	-	-
Sesha Balajee Medisolutions Private Limited	0.15	-	-	-	-
Chethana Pharma Distributors Private Limited	(0.00)	-	-	-	-
Calcutta Medisolutions Private Limited	0.06	-	-	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	60.55	46.35	57.85	35.35	24.95
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	11.89	5.30	8.02	2.72	0.66
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	-	-	-	-	-
<b>22 CPD Pharma Private Limited</b>					
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	0.62	0.46	0.46	0.63	-
Novacare Healthcare Solutions Private Limited	0.18	0.18	(0.18)	0.09	-
Rada Medisolutions Private Limited	0.75	0.17	0.68	0.37	1.34
New Siva Agencies Private Limited	0.13	0.11	0.13	0.11	-
New RRPD Private Limited	0.04	0.00	-	0.02	-
<b>Trade Receivables</b>					
Rada Medisolutions Private Limited	2.14	3.40	1.30	3.22	1.59
New RRPD Private Limited	0.09	0.10	(0.04)	0.03	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	28.23	20.44	28.23	20.44	10.95
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	5.84	2.75	4.00	1.42	0.02
<b>23 Calcutta Medisolutions Private Limited</b>					
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	1.94	0.05	0.06	0.14	-
G.S. Pharmaceuticals Distributors Private Limited	-	-	0.19	-	-
Chhabra Healthcare Solutions Private Limited	-	-	0.19	-	-
Galaxystar Pharma Distributors Private Limited	1.33	0.93	1.06	-	-
SVMED Solutions Private Limited	(0.06)	(0.09)	(0.06)	-	-
Millennium Medisolutions Private Limited	0.15	(0.00)	0.68	-	-



Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

G. Details of Related Party balances eliminated during the year while preparing the restated consolidated financial information

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
SVS Lifesciences Private Limited	1.28	-	2.52	-	-
Vasavi Medicare Solutions Private Limited	0.02	-	-	-	-
Rada Medisolutions Private Limited	(0.00)	(0.00)	-	-	-
Sree Venkateshwara Medisolutions Private Limited	0.06	-	-	-	-
Sesha Balajee Medisolutions Private Limited	-	0.09	-	-	-
<b>Trade Receivables</b>					
Entero Healthcare Solutions Limited	0.37	0.28	0.17	(0.04)	-
Rada Medisolutions Private Limited	(0.00)	(0.02)	-	-	-
SVS Lifesciences Private Limited	0.17	-	-	-	-
SVMED Solutions Private Limited	-	(0.00)	-	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	37.90	32.90	35.40	17.40	6.76
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	6.85	2.60	4.40	0.83	0.02
<b>24 Curever Pharma Private Limited</b>					
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	11.13	14.29	12.44	6.41	-
Novacare Healthcare Solutions Private Limited	2.26	-	-	-	-
<b>Trade Receivables</b>					
Entero Healthcare Solutions Limited	4.44	0.21	-	1.04	-
G.S. Pharmaceuticals Distributors Private Limited	-	-	0.02	-	-
Getwell Medicare Solution Private Limited	(0.30)	0.31	-	3.11	-
Avenues Pharma Distributors Private Limited	(0.16)	(0.16)	(0.16)	(0.16)	-
Chirag Medicare Solutions Private Limited	(0.05)	(0.05)	(0.05)	-	-
Chethana Healthcare Solutions Private Limited	(0.01)	(0.01)	(0.01)	-	-
Vasavi Medicare Solutions Private Limited	(0.36)	(0.36)	0.36	(0.36)	-
Chethana Pharma Private Limited	(0.04)	(0.04)	(0.04)	0.02	-
Rada Medisolutions Private Limited	(0.54)	(0.54)	0.54	(0.54)	-
Sri Parshva Pharma Distributors Private Limited	0.08	-	0.08	-	-
Novacare Healthcare Solutions Private Limited	(2.90)	(11.22)	-	-	-
Millennium Medisolutions Private Limited	0.17	-	-	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	355.10	143.40	355.10	104.20	8.00
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	56.07	18.50	32.93	10.20	0.02
<b>Commission Payable</b>					
Novacare Healthcare Solutions Private Limited	2.05	0.81	2.05	0.81	-
<b>Reimbursement of Expenses</b>					
Entero Healthcare Solutions Limited	-	-	-	3.03	-
Novacare Healthcare Solutions Private Limited	2.35	2.35	2.35	2.35	-
<b>Rent Payable</b>					
Entero Healthcare Solutions Limited	-	0.86	-	1.73	-
Novacare Healthcare Solutions Private Limited	0.21	0.16	0.21	0.16	-
<b>Corporate Guarantee Taken</b>					
Entero Healthcare Solutions Limited	-	200.00	-	-	-
<b>25 Western Healthcare Solutions Private Limited</b>					
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	2.13	0.10	1.14	0.26	-
Getwell Medicare Solution Private Limited	0.03	(0.00)	0.14	0.02	-
G.S. Pharmaceuticals Distributors Private Limited	0.42	-	-	-	-
Shri parshva Pharma Distributors private limited	0.26	-	-	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	142.46	152.50	127.70	137.50	-
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	8.85	13.23	17.25	11.20	-
<b>Corporate Guarantee Taken</b>					
Entero Healthcare Solutions Limited	86.55	54.50	67.55	22.89	-
<b>26 Atreja Healthcare Solutions Private Limited</b>					
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	0.24	0.91	1.52	0.60	-
Novacare Healthcare Solutions Private Limited	0.01	0.01	(0.06)	0.03	-

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

G. Details of Related Party balances eliminated during the year while preparing the restated consolidated financial information

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Millennium Medisolutions Private Limited	0.48	0.33	(0.57)	0.17	-
Barros Enterprises Private Limited	0.00	0.00	-	0.51	-
Galaxystar Pharma Distributors Private Limited	0.77	-	-	-	-
Jaggi Enterprises Private Limited	0.82	-	-	-	-
Swami Medisolutions Private Limited	(0.02)	-	-	-	-
<b>Trade Receivables</b>					
Entero Healthcare Solutions Limited	0.19	1.50	0.69	-	-
Chirag Medicare Solutions Private Limited	-	0.02	0.02	-	-
Millennium Medisolutions Private Limited	(0.63)	0.63	0.63	0.05	-
Barros Enterprises Private Limited	(0.00)	0.20	-	0.09	-
Galaxystar Pharma Distributors Private Limited	0.00	0.00	-	-	-
Rada Medisolutions Private Limited	0.00	0.04	-	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	45.60	42.60	45.60	36.10	-
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	9.66	4.35	6.69	1.78	-
<u>27 City Pharma Distributors Private Limited</u>	-	-	-	-	-
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	1.33	0.30	0.36	0.01	-
Avenues Pharma Distributors Private Limited	0.02	(0.00)	0.04	0.86	-
Novacare Healthcare Solutions Private Limited	0.02	0.39	(0.02)	-	-
G.S. Pharmaceuticals Distributors Private Limited	-	-	0.02	-	-
R S M Pharma Private Limited	1.90	1.17	2.35	-	-
Chhabra Healthcare Solutions Private Limited	(0.02)	-	0.01	-	-
Saurashtra Medisolutions Private Limited	-	-	0.01	-	-
Galaxystar Pharma Distributors Private Limited	(0.00)	-	-	-	-
New RRPD Private Limited	0.16	-	-	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	36.70	36.70	36.70	34.70	-
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	7.75	3.45	5.35	1.09	-
<u>28 New Siva Agencies Private Limited</u>					
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	1.26	1.47	1.47	0.17	-
Rada Medisolutions Private Limited	0.01	(0.01)	0.01	0.07	-
New RRPD Private Limited	-	0.52	0.52	-	-
<b>Trade Receivables</b>					
Rada Medisolutions Private Limited	0.12	0.27	0.97	0.55	-
CPD Pharma Private Limited	0.13	0.11	0.13	0.11	-
New RRPD Private Limited	0.11	0.47	0.41	0.11	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	33.70	65.90	65.90	65.90	-
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	3.04	5.67	7.71	1.38	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	50.00	-	-	-	-
<u>29 New RRPD Private Limited</u>	-	-	-	-	-
<b>Trade Payables</b>					
CPD Pharma Private Limited	0.09	0.10	(0.04)	0.03	-
New Siva Agencies Private Limited	0.11	0.47	0.41	0.11	-
Entero Healthcare Solutions Limited	0.89	1.08	1.30	-	-
Rada Medisolutions Private Limited	0.95	(0.11)	0.13	-	-
<b>Trade Receivables</b>					
Rada Medisolutions Private Limited	0.59	4.08	0.38	2.30	-
CPD Pharma Private Limited	0.04	0.00	-	0.02	-
New Siva Agencies Private Limited	-	0.52	0.52	-	-
SVMED Solutions Private Limited	0.11	-	-	-	-
City Pharma Distributors Private Limited	0.16	-	-	-	-

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

G. Details of Related Party balances eliminated during the year while preparing the restated consolidated financial information

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	25.10	59.30	59.30	59.30	-
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	2.43	4.90	6.94	1.04	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	50.00	-			
<b>30 Swami Medisolutions Private Limited</b>	-				
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	0.89	-	0.24	-	-
Novacare Healthcare Solutions Private Limited	-	-	0.30	-	-
Millennium Medisolutions Private Limited	0.00	-	0.07	-	-
Chhabra Healthcare Solutions Private Limited	2.02	-			
Jaggi Enterprises Private Limited	0.63	-			
<b>Trade Receivables</b>					
Atreja Healthcare Solutions Private Limited	(0.02)	-	-		
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	70.45	67.75	70.45	62.30	-
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	13.39	5.19	8.79	1.04	-
<b>31 Sri Rama Pharmaceutical Distributors Private Limited</b>	-				
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	-	4.92	4.92	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	665.23	355.98	476.93	122.03	-
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	38.40	13.77	34.87	0.43	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	257.75	226.62	158.64	226.62	-
<b>32 Sri Parshva Pharma Distributors Private Limited</b>					
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	6.42	2.41	0.78	-	-
Novacare Healthcare Solutions Private Limited	2.46	0.03	1.58	-	-
R S M Pharma Private Limited	(0.03)	-	(0.04)	-	-
Avenues Pharma Distributors Private Limited	(0.03)	-	0.08	-	-
Curever Pharma Private Limited	0.08	-	0.08	-	-
<b>Trade Receivables</b>					
Novacare Healthcare Solutions Private Limited	2.92	-	0.08	-	-
R S M Pharma Private Limited	(0.02)	(0.03)	(0.11)	0.23	-
Avenues Pharma Distributors Private Limited	0.44	0.64	0.23	-	-
Getwell Medicare Solution Private Limited	0.06	-			
SVMED Solutions Private Limited	0.26	-			
Western Healthcare Solutions Private Limited	0.26	-			
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	376.65	220.18	368.28	243.69	-
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	23.82	18.89	19.42	4.41	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	258.53	326.91	228.84	547.33	-
<b>33 SVS Lifesciences Private Limited</b>					
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	3.08	-	0.43	-	-
Novacare Healthcare Solutions Private Limited	1.11	-	0.97	-	-
Galaxystar Pharma Distributors Private Limited	2.67	-			
Millennium Medisolutions Private Limited	0.81	-			
Calcutta Medisolutions Private Limited	0.17	-			
<b>Trade Receivables</b>					
Entero Healthcare Solutions Limited	4.65	-	0.65	-	-
Novacare Healthcare Solutions Private Limited	0.18	-	0.05	-	-

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

G. Details of Related Party balances eliminated during the year while preparing the restated consolidated financial information

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Calcutta Medisolutions Private Limited	1.28	-	2.52	-	-
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	89.40	62.00	65.00	-	-
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	4.97	1.63	5.10	-	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	20.00	-			
<b>34 Saurashtra Medisolutions Private Limited</b>					
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	0.22	0.58	0.32	-	-
Novacare Healthcare Solutions Private Limited	-	-	0.58	-	-
G.S. Pharmaceuticals Distributors Private Limited	0.19	-	0.10	-	-
Getwell Medicare Solution Private Limited	-	-	1.11	-	-
Galaxystar Pharma Distributors Private Limited	0.13	0.53	0.15	-	-
<b>Trade Receivables</b>					
Chhabra Healthcare Solutions Private Limited	-	-	0.10	-	-
Galaxystar Pharma Distributors Private Limited	-	-	0.25	-	-
Avenues Pharma Distributors Private Limited	-	-	0.20	-	-
Vasavi Medicare Solutions Private Limited	(0.00)	-	0.01	-	-
SVMED Solutions Private Limited	-	-	0.10	-	-
Millennium Medisolutions Private Limited	-	-	0.24	-	-
Rada Medisolutions Private Limited	-	-	0.07	-	-
City Pharma Distributors Private Limited	-	-	0.01	-	-
Entero Healthcare Solutions Limited	0.04	-			
G.S. Pharmaceuticals Distributors Private Limited	0.00	-			
Jaggi Enterprises Private Limited	0.00	-			
Chethana Pharma Distributors Private Limited	(0.00)	-			
Sree Venkateshwara Medisolutions Private Limited	0.00	-			
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	98.85	97.50	101.30	-	-
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	6.75	3.14	8.55	-	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	30.00	-			
<b>35 S.S. Pharma Traders Private Limited</b>					
<b>Trade Payables</b>					
Entero Healthcare Solutions Limited	4.48	-			
Novacare Healthcare Solutions Private Limited	0.80	-			
<b>Loans Taken</b>					
Entero Healthcare Solutions Limited	195.14	116.04	136.54	-	-
<b>Interest Payable</b>					
Entero Healthcare Solutions Limited	11.40	0.74	8.49	-	-
<b>Corporate Guarantees Taken</b>					
Entero Healthcare Solutions Limited	50.00	-			
<b>36 Quomed Life Sciences Private Limited</b>					
<b>Rent Payable</b>					
Entero Healthcare Solutions Limited	0.04	0.03	0.04	0.02	-
<b>37 Rimedio Pharma Private Limited</b>					
<b>Rent Payable</b>					
Entero Healthcare Solutions Limited	0.04	0.03	0.04	0.03	-

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Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Annexure V - Notes to Restated Consolidated Financial Information

(₹ in million, unless otherwise stated)

E. Transactions within the group (these transactions got eliminated in Restated Consolidated Financial Information)\*

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Commission Expenses	5.64	5.48	13.20	9.57	-
Corporate Guarantees Given	3,957.00	3,570.53	3,444.48	3,790.95	1,950.00
Interest Income	287.44	222.60	478.81	229.78	204.31
Loans Given	669.23	718.36	1,438.65	1,980.15	2,427.37
Reimbursement of expenses	0.86	0.84	18.42	4.14	-
Rent Income	1.47	2.29	4.58	2.36	-
Purchase of Goods (net of returns)	1,439.87	651.11	1,461.19	1,234.97	1,152.72
Sale of Goods (net of returns)	1,439.87	651.11	1,461.19	1,234.97	1,152.72
Commission receivable	14.49	6.67	14.44	10.06	-
Outstanding Corporate Guarantees	3,326.41	2,881.39	2,344.28	2,562.81	1,383.02
Interest receivable	490.25	405.53	452.51	295.55	232.98
Investments in Subsidiaries	409.21	405.20	405.20	385.10	384.20
Outstanding Loans Given	4,735.65	3,828.69	4,143.20	3,195.73	2,427.37
Outstanding Reimbursement of expenses	3.88	3.22	3.61	5.38	-
Trade Payables	804.23	405.53	422.93	415.43	245.08
Trade Receivables	804.23	405.53	422.93	415.43	245.08

\* As per Schedule VI (Para 11 (I) (A) (i) (g)) of ICDR regulations

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**Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)**

**Annexure V - Notes to Restated Consolidated Financial Information**

(₹ in million, unless otherwise stated)

**51 Statement of unhedged foreign currency exposure:**

Particulars	As at 30 September 2023		As at 30 September 2022		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	Amount in USD (million)	Amount in INR	Amount in USD (million)	Amount in INR	Amount in USD (million)	Amount in INR	Amount in USD (million)	Amount in INR	Amount in USD (million)	Amount in INR
Advance to vendors	0.03	2.25	0.02	1.77	0.03	2.20	0.05	3.58	0.12	8.93

**52 Additional regulatory information required by Schedule III:**

- (i) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group do not have any transactions with companies struck off.
- (iii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory year.
- (iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Group has not advanced or extended loan or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vii) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by The Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the year in which, the Code becomes effective and the related rules to determine the financial impact are published.
- (viii) The Group does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (ix) The Group has not been declared wilful defaulter by any bank or financial institution or by any government authorities.

**(x) Disclosure of Loans or Advances granted to related parties (as defined under Companies Act, 2013):-**

Loans Repayable on demand (Unsecured):

Particulars	Amount	% of total loans
As at 30 September 2023	-	0.00%
As at 30 September 2022	-	0.00%
As at 31 March 2023	-	0.00%
As at 31 March 2022	5.20	50.88%
As at 31 March 2021	5.20	69.15%

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**Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)**

**Annexure V - Notes to Restated Consolidated Financial Information**

(₹ in million, unless otherwise stated)

**54 EBITDA of Scaled-Down ancillary Business**

Our management is gradually scaling down the generic medicine business branded under "Curever", due to significant external competition and pricing pressure. Further, as the generic medicine business is not expected to contribute significantly to our financial results going forward, the Earnings before interest, depreciation and tax ("EBITDA") of scaled down ancillary business is computed as follows:

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the Year ended 31 March 2023	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Profit before taxes	(35.71)	(83.27)	(153.00)	(167.15)	(10.14)
Add: Depreciation	0.68	1.23	2.47	2.00	-
Add: Finance cost	23.24	21.55	45.31	15.70	0.02
Less: Other income	(0.71)	(0.06)	(0.09)	(0.09)	-
<b>EBITDA of Scaled down ancillary business</b>	<b>(12.50)</b>	<b>(60.55)</b>	<b>(105.31)</b>	<b>(149.54)</b>	<b>(10.12)</b>

**55 Employee Stock Option Plan (ESOP)**

The board vide its resolution dated 26 August 2023 approved Entero Employee Stock Option Plan 2023 for granting Employee Stock Options in form of equity shares linked to the completion of a minimum period of continued employment to the eligible employees of the Company, monitored and supervised by the Board of Directors. The employees can purchase equity shares by exercising the options as vested at the price specified in the grant.

Once vested, the options remain exercisable for a period of 8 years during the course of employment with the Company or within a period of 2 years from sepreation subject to conditions mentioned in the plan.

Options are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one number of equity share. The exercise price of the share options is equal to the market price of the underlying shares on the date of grant. The contractual term of the share options is 4 years and there are no cash settlement alternatives for the employees.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period :

Particulars	As at 30 September 2023	
	Number	WAEP (INR)
Options outstanding at beginning of period	-	-
Add:		
Options granted during the period	2,21,300	804.00
Less:		
Options exercised during the period	-	-
Options forfeited during the period	-	-
Options outstanding at the end of period	<u>2,21,300</u>	<u>804.00</u>

Option exercisable at the end of period

The options outstanding at the period ending on 30 September 2023 with exercise price of INR 804 are 221,300 options and a weighted average remaining contractual life of all options are 5.89 years.

The fair value of each option is estimated on the date of grant using the Black Scholes model. The following tables list the inputs used:

	For the period ended
Weighted average fair value of the options at the grant dates (INR)	311.32
Dividend yield (%)	0.00%
Risk free interest rate (%)	7.15%
Expected life of share options (periods)	5.89 years
Expected volatility (%)	20.50%
Weighted average share price (INR)	803.67

Total expenses arising from Employee Stock Option Scheme (ESOP) recognised in statement of profit or loss as part of Employee Stock Option Scheme Compensation were as follows:

	For the period ended
Employee option plan 2023	2.04
Total Employee Stock Option Plan Compensation	<u>2.04</u>

**55 Comparative Financial Information**

The Group has reclassified/ regrouped certain comparatives, in order to confirm with presentation of 31 March 2023. The key reclassification/ regrouping included the following:

1. For the year ended 31 March 2022 and 31 March 2021, the Group has identified that other operating revenue amounting to INR 23.01 million and INR 40.44 million respectively, was included in other income and has now correctly reclassified the same to other operating revenue.

2. For the years ended 31 March 2021, 31 March 2022 and 31 March 2023, for the purpose of calculating Basic and Diluted EPS, the Group has restated the weighted average number of shares outstanding as on the respective year end date to reflect the position based on the amended Shareholders Agreement. The Company shall undertake conversion of the outstanding CCPS into Equity Shares prior to filing of the Red Herring Prospectus. The conversion of such CCPS into Equity Shares shall depend on certain assumptions and variable factors based on the formula prescribed in the Shareholders Agreement. We have accordingly considered the maximum number of Equity Shares that such outstanding CCPS may be converted into pursuant to application of such conversion formula and the actual number of Equity Shares which may arise out of conversion of CCPS may vary.

3. For the year ended 31 March 2022, the Group has reclassified Provision for Leave encashment amounting to INR 10.33 million from Non-current to current provisions.

4. For the year ended 31 March 2022 and 31 March 2021, the Group has reclassified inventories acquired through business combination amounting to INR 361.05 million and INR 13.79 million respectively from Purchases of Stock in trade to Changes in inventories of stock-in-trade.

**56 Subsequent Events after the reporting period.**

On 11 December 2023, the group purchased 80% share capital of Dhanvanthri Super Speciality Private Limited under share purchase agreement (SPA). Consequently, Dhanvanthri Super Speciality Private Limited has become a subsidiary of the Company w.e.f. 11 December 2023.

As per our report of even date

**For M S K A & Associates**

Chartered Accountants

Firm Registration No.:105047W

For and on behalf of the Board of Directors

**Entero Healthcare Solutions Limited**

**(formerly known as Entero Healthcare Solutions Private Limited)**

CIN: U74999HR2018PLC072204

**Vaijayantimala Belsare**

Partner

Membership No: 049902

Place: Mumbai

Date: 21-01-2024

**Prabhat Agrawal**

Managing Director

DIN: 07466382

Place: Mumbai

Date: 21-01-2024

**Prem Sethi**

Director

DIN: 07077034

**CV Ram**

Chief Financial Officer

M.N 206013

**Jayant Prakash**

Company Secretary

M.N.:FCS-6742



**Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)****Annexure VI - Statement of Adjustments to Audited Consolidated Financial Statements**

(₹ in million, unless otherwise stated)

Summarized below are the restatement adjustments made to the Audited Consolidated Financial Statements for the period/years ended September 30, 2023, September 30, 2022, March 31, 2023, March 31, 2022 and March 31, 2021 and their impact on equity and the loss of the Group:

**Part A : Statement of Adjustment to Audited Consolidated Financial Information****Reconciliation between equity as per audited consolidated Financial Statements and equity as per Restated Consolidated Financial Information**

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Total Equity as per Audited Consolidated Financial Statements	6,605.48	5,946.69	5,976.61	5,632.16	4,870.60
Restated Adjustments	-	-	-	-	-
<b>Total Impact of Adjustments</b>	-	-	-	-	-
<b>Total Equity as per Restated Consolidated Financial Information</b>	<b>6,605.48</b>	<b>5,946.69</b>	<b>5,976.61</b>	<b>5,632.16</b>	<b>4,870.60</b>

**Reconciliation between Audited Profit and Restated Profit**

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Profit after tax as per Audited Consolidated Financial Statements	116.42	(108.57)	(111.04)	(294.39)	(153.54)
Restated Adjustments	-	-	-	-	-
<b>Total Impact of Adjustments</b>	-	-	-	-	-
<b>Profit after tax as per Restated Consolidated Financial Information</b>	<b>116.42</b>	<b>(108.57)</b>	<b>(111.04)</b>	<b>(294.39)</b>	<b>(153.54)</b>

**Material regrouping/reclassification**

Appropriate regrouping/reclassification have been made in the Restated Consolidated Statement of Assets and Liabilities, Restated Consolidated Statement of Profit and Loss and Restated Consolidated Statement of Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Audited Special Purpose Consolidated Financial Statements for the year ended 31 March 2023 respectively prepared in accordance with Schedule III (Division II) of the Act, requirements of Ind AS 1 - 'Presentation of financial statements' and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended.

**Part B: Non adjusting Events****a) Emphasis of matters not requiring adjustments to the Restated Consolidated Financial Information for the year ended 31 March 2021:**

We draw your attention to Note 54 to the Consolidated Financial Statements which states that the management has made an assessment of the impact of COVID-19 on the Group's operations, financial performance and position as at and for the year ended 31 March 2021, and has concluded that there is no impact which is required to be recognised in Consolidated financial statements. Accordingly, no adjustments have been made to Consolidated Financial Statements.

Our opinion is not modified in respect of this matter.

**b) Other matters not requiring adjustments to the Restated Consolidated Financial Information for the year ended 31 March 2022 and 31 March 2021:**

a. We did not audit the financial statements of 20 subsidiaries, whose financial statements reflect total assets of INR 3,217.57 Million as at March 31, 2021, total revenues of INR 8,937.42 Million and net cash flows amounting to INR (68.70) Million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

b. The comparative financial information of the Company for the year ended March 31, 2020 and the transition date opening balance sheet as at April 01, 2019 included in these financial statements prepared in accordance with Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016 for the year ended March 31, 2020 and March 31, 2021 on which issued an unmodified audit opinion vide our reports dated December 24, 2020 and November 27, 2019 respectively on those Consolidated Financial Statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have also been audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters to our reliance on the work done and the reports of the other auditors.

a. We did not audit the financial statements of 20 subsidiaries, whose financial statements reflect total assets of INR 3,120.45 Million as at March 31, 2022, total revenues of INR 4,899.16 Million and net cash flows amounting to INR 75 Million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

**c) Audit qualifications for the respective years, which do not require any adjustments in the restated consolidated summary statements are as follows:**

There are no audit qualification in auditor's report for the year ended 31 March 2023, 31 March 2022 and 31 March 2021.

## OTHER FINANCIAL INFORMATION

The accounting ratios derived from Restated Consolidated Financial Information required to be disclosed under the SEBI ICDR Regulations are set forth below:

*(in ₹ million other than share data)*

Particulars	Six months ended September 30, 2023	Six months ended September 30, 2022	Fiscal 2023	Fiscal 2022	Fiscal 2021
Restated earnings per Equity Share (in ₹) – Basic	3.27*	(3.37)*	(3.43)	(10.23)	(5.87)
Restated earnings per Equity Share (in ₹) – Diluted	3.27*	(3.37)*	(3.43)	(10.23)	(5.87)
Return on net worth (%)	1.76%*	(1.83%)*	(1.86%)	(5.23%)	(3.15%)
Net asset value per Equity Share (in ₹)	185.84	174.00	174.21	171.95	183.16
EBITDA	543.66*	250.28*	640.07	244.38	215.45
Adjusted EBITDA	556.16*	310.83*	745.38	510.51	527.05

\*Not annualised

### Reconciliation of restated net profit (loss) to the restated earnings per Equity Share – basic and diluted:

*(in ₹ million other than share data)*

Particulars	Six months ended September 30, 2023	Six months ended September 30, 2022	Fiscal 2023	Fiscal 2022	Fiscal 2021
Restated net profit as per profit and loss for calculation of basic earnings per Equity Share	113.65	(111.53)	(115.57)	(299.20)	(155.37)
Adjustment to restated net profit	-	-	-	-	-
<b>Net profit for calculation of basic EPS (A)</b>	<b>113.65</b>	<b>(111.53)</b>	<b>(115.57)</b>	<b>(299.20)</b>	<b>(155.37)</b>
Weighted average number of equity shares for calculating basic EPS (B)	34,746,049	33,092,245	33,679,740	29,253,207	26,475,695
<b>Restated earnings per Equity Share (in ₹) - Basic (A/B)</b>	<b>3.27</b>	<b>(3.37)</b>	<b>(3.43)</b>	<b>(10.23)</b>	<b>(5.87)</b>
Restated net profit for calculation of diluted EPS (C)	113.65	(111.53)	(115.57)	(299.20)	(155.37)
Weighted average number of equity shares for calculating diluted EPS (D)	34,746,049	33,092,245	33,679,740	29,253,207	26,475,695
<b>Restated earnings per Equity Share (in ₹) – Diluted (C/D)</b>	<b>3.27</b>	<b>(3.37)</b>	<b>(3.43)</b>	<b>(10.23)</b>	<b>(5.87)</b>

### Reconciliation of return on net worth (%):

*(in ₹ million unless otherwise mentioned)*

Particulars	Six months ended September 30, 2023	Six months ended September 30, 2022	Fiscal 2023	Fiscal 2022	Fiscal 2021
Restated net profit for the periods (E)	116.42	(108.57)	(111.04)	(294.39)	(153.54)
Net worth at the end of the periods (F)	6,605.48	5,946.69	5,976.61	5,632.16	4,870.60
<b>Return on net worth (%) (E/F*100)</b>	<b>1.76%</b>	<b>(1.83%)</b>	<b>(1.86%)</b>	<b>(5.23%)</b>	<b>(3.15%)</b>

### Reconciliation of net asset value per share:

*(in ₹ million other than share data)*

Particulars	Six months ended September 30, 2023	Six months ended September 30, 2022	Fiscal 2023	Fiscal 2022	Fiscal 2021
Net worth at the end of the periods (G)	6,605.48	5,946.69	5,976.61	5,632.16	4,870.60
No. of equity shares outstanding at the end of the periods (H)	35,543,198	34,177,247	34,307,546	32,754,690	26,591,626
<b>Net asset value per share* (in ₹) (G/H)</b>	<b>185.84</b>	<b>174.00</b>	<b>174.21</b>	<b>171.95</b>	<b>183.16</b>

\*Net asset value per share (in ₹) represents net asset value per equity share. It is calculated as net worth as of the end of the relevant year/period divided by the number of equity shares post conversion outstanding at the end of the respective year/period.

#### Reconciliation of EBITDA and Adjusted EBITDA:

(in ₹ million)

Particulars	Six months ended September 30, 2023	Six months ended September 30, 2022	Fiscal 2023	Fiscal 2022	Fiscal 2021
Restated profit before tax (before exceptional items) (I)	136.72	(71.54)	(36.88)	(198.11)	(108.38)
Finance costs (J)	322.91	230.27	489.72	289.78	200.38
Depreciation and amortization expenses (K)	118.79	116.27	242.37	197.54	162.76
Less: Other Income (L)	(34.76)	(24.71)	(55.14)	(44.83)	(39.31)
<b>EBITDA (in ₹) (M=I+J+K-L)</b>	<b>543.66</b>	<b>250.28</b>	<b>640.07</b>	<b>244.38</b>	<b>215.45</b>
<b>Adjustments for:</b>					
EBITDA of scaled down ancilliary business <sup>(i)</sup> (N)	12.50	60.55	105.31	149.54	10.12
Provision for inventory <sup>(ii)</sup> (O)	-	-	-	116.59	301.48
<b>Adjusted EBITDA (P=M+N+O)</b>	<b>556.16</b>	<b>310.83</b>	<b>745.38</b>	<b>510.51</b>	<b>527.05</b>

#### Notes:

- (i) Our management is gradually scaling down on our generic medicine business branded under “Curever”, due to significant external competition and pricing pressure. Further, as our generic medicine business is not expected to contribute significantly to our financial results going forward, the EBITDA of the Curever business for the respective years/periods has been adjusted for the purposes of calculating our Adjusted EBITDA.
- (ii) During the period of the COVID-19 pandemic in 2020 and 2021, we procured a significant amount of inventory of sanitizers, PPE kits, masks and infrared thermometers in anticipation of more waves of COVID-19 and emergencies thereafter. However, as the impact of COVID-19 subsided from late 2022 onwards, the demand for these inventories also reduced. As a result, these have been brought down to their new realisable values and presented as adjustments to our EBITDA, as we are gradually phasing out trading of these products.

#### Audited Financial Statements

In accordance with the Schedule VI, Part A (11)(I)(A)(ii)(b) of the SEBI ICDR Regulations, the audited standalone financial statements as at and for Fiscals ended March 31, 2023, March 31, 2022, and March 31, 2021, respectively (“**Audited Financial Statements**”) of our Company and the subsidiaries which are considered ‘material’ in terms of the aforesaid provision of the SEBI ICDR Regulations are available at <https://www.enterohealthcare.com/uat/investor/disclosures/financial-information.php> and <https://www.enterohealthcare.com/uat/investor/disclosures/financial-statements-subsidiary-companies.php> respectively. Audited Financial Statements have been provided in respect of:

- Our Company
- Atreja Healthcare Solutions Private Limited
- Avenues Pharma Distributors Private Limited
- Barros Enterprises Private Limited
- Calcutta Medisolutions Private Limited
- Chethana Healthcare Solutions Private Limited
- Chethana Pharma Private Limited
- Chhabra Healthcare Solutions Private Limited

- Chirag Medicare Solutions Private Limited
- City Pharma Distributors Private Limited
- CPD Pharma Private Limited
- Curever Pharma Private Limited
- G.S. Pharmaceutical Distributors Private Limited
- Galaxystar Pharma Distributors Private Limited
- Getwell Medicare Solution Private Limited
- Jaggi Enterprises Private Limited
- Novacare Healthcare Solutions Private Limited
- Millennium Medisolutions Private Limited
- New RRPD Private Limited
- R S M Pharma Private Limited
- Rada Medisolutions Private Limited
- S.S. Pharma Traders Private Limited
- Sri Parshva Pharma Distributors Private Limited
- Sri Rama Pharmaceutical Distributors Private Limited
- Sundarlal Pharma Distributors Private Limited
- SVMED Solutions Private Limited
- Vasavi Medicare Solutions Private Limited
- Western Healthcare Solutions Private Limited

Further, while our Company Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this 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, 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider while subscribing to or purchase any securities of our Company, or any entity in which it or 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 any of the BRLMs or Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

### **Related Party Transactions**

For details of the related party transactions during the six months ended September 30, 2023, and September 30, 2022, and the Fiscals 2023, 2022, and 2021 as per the requirements under Ind AS 24 see “*Financial Information – Restated Consolidated Financial Information – Note 50: Information of related party transactions as required by Ind AS 24 - Related Party Disclosures*” on page 349.

### **Pro Forma Financial Information**

For details of our Pro Forma Financial Information, see “*Pro Forma Financial Information*” on page 397.

**PRO FORMA FINANCIAL INFORMATION**

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INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PROFORMA CONDENSED COMBINED FINANCIAL INFORMATION INCLUDED IN RED HERRING PROSPECTUS AND PROSPECTUS

The Board of Directors  
Entero Healthcare Solutions Limited  
(formerly known as Entero Healthcare Solutions Private Limited)  
Plot No. I-35, Building-B,  
Industrial Area Phase-I,  
13/7 Mathura Road,  
Faridabad, Haryana, 121003.

Report on the compilation of unaudited proforma condensed combined financial information in connection with the proposed Initial Public Offering of Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)(the "Company") (and such offering, the "Offer").

1. This Report is issued in accordance with the terms of our engagement letter dated June 19, 2023.
2. We have completed our assurance engagement to report on the compilation of Unaudited Proforma Condensed Combined Financial Information of the Company and its subsidiaries (the "Group") and Dhanvantri Speciality Pharma Private Limited ("Dhanvantri") and R. S. Enterprises (Bangalore) Private Limited ("RS Enterprises") (Collectively, "the Proforma Group"), prepared by the Management of the Company. The Unaudited Proforma Condensed Combined Financial Information consists the Proforma Condensed Combined Balance Sheet as at September 30, 2023, Proforma Condensed Combined Statement of profit and loss for the six month period ended September 30, 2023 and related notes (hereinafter referred to as the "Unaudited Proforma Condensed Combined Financial Information") for inclusion in the Red Herring Prospectus ('RHP') and Prospectus, prepared by the Company, in connection with the offering that will be made in India and other jurisdictions outside the United States in "offshore transactions", as defined in, and in reliance on, Regulation S under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act") (the "non-U.S. Offering") and within the United States only to persons reasonably believed to be "Qualified Institutional Buyers" as defined in Rule 144A under the U.S. Securities Act. The applicable criteria, on the basis of which management has compiled the Proforma Financial Information are as specified in the "Basis of preparation" paragraph as described in Note 2 to the Proforma Financial Information. Because of its nature, the Unaudited Proforma Condensed Combined Financial Information does not represent the actual financial position and financial performance of the Proforma Group.
3. The Proforma Financial Information has been compiled by the Company's Management to illustrate the impact of the acquisitions of RS Enterprises and Dhanvantri by the Company, as set out in Note 1 to the Unaudited Proforma Condensed Combined Financial Information, on the Group's financial position as at September 30, 2023 and its financial performance for the period April 1, 2023 to September 30, 2023, as if the acquisitions had taken place at September 30, 2023 and April 01, 2023 respectively.

As part of this process, information about the Group's financial position and financial performance have been extracted by the management of the Company from the Group's Restated Consolidated Financial Statements as at and for the six month periods ended September 30, 2023 and September 30, 2022 and years ended March 31, 2023, March 31, 2022 and March 31, 2021 ("Restated Consolidated Financial Information"), on which we have issued unmodified conclusion vide our examination report dated January 21, 2024 (included in the RHP and Prospectus). Information about RS Enterprises and Dhanvantri has been extracted and compiled by the Management of the Company from;

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- a. the audited special purpose interim financial statements of RS Enterprises for period from April 1, 2023 to June 30, 2023 and from May 8, 2023 to September 15, 2023, audited by another auditor, A L P & Associates Chartered Accountants, whose audit report dated January 18, 2024, expressed an unmodified opinion on those financial statements.
  - b. the audited special purpose interim financial statements of Dhanvantri for the six month period ended September 30, 2023, audited by another auditor, A L P & Associates Chartered Accountants, whose audit report dated January 18, 2024, expressed an unmodified opinion on those financial statements.
4. As indicated in the examination report and audit reports referred to in paragraph 3 above:
- i Our audit report on the audited consolidated financial statements of the company for the year ended March 31, 2021 included an Emphasis of Matter Paragraph as follows:  
“We draw your attention to Note 54 to the Consolidated Financial Statements which states that the management has made an assessment of the impact of COVID-19 on the Group's operations, financial performance and position as at and for the year ended 31 March 2021, and has concluded that there is no impact which is required to be recognised in Consolidated financial statements. Accordingly, no adjustments have been made to Consolidated Financial Statements.

Our opinion is not modified in respect of this matter.”

- ii We did not audit the Special Purpose Interim Financial Statements of 22 subsidiaries included in the group, as at and for the six month period ended September 30, 2023, 21 subsidiaries included in the group as at and for six month period ended September 30, 2022 and financial statements of 21 subsidiaries included in the group as at and for the year ended March 31, 2023, 20 subsidiaries included in the group as at and for the year ended March 31, 2022, 20 subsidiaries included in the group as at and for the year ended March 31, 2021, whose financial statements reflect total assets, total revenues, and net cash inflows / (outflows), before consolidation adjustments, included in the consolidated financial statements, for the relevant years as tabulated below:

Particulars	As at/ for the six month period September 30, 2023	As at/ for the six month period September 30, 2022	As at/ for the year ended March 31, 2023	As at/ for the year ended March 31, 2022	As at/ for the year ended March 31, 2021
No. of Entities	22	21	21	20	20
Total Assets (Rs. in Millions)	4,029.15	2,873.86	3,056.71	3,120.45	3,217.57
Total Revenue (Rs. in Millions)	4,504.13	3,062.72	6,598.60	4,899.16	8,937.42
Net Cash Inflows/ Outflows (Rs. in Millions)	6.01	65.17	42.74	75	(68.70)

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iii These financial statements have been audited by other auditors as set out in Appendix I whose reports have been furnished to us by the Company's management and our opinions for the relevant years on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these components for the relevant years, is based solely on the reports of the other auditors.

Our opinion is not modified in respect of this matter.

iv The examination of Restated Financial information for four subsidiaries (the "Components") for the six month period ended September 30, 2023 and September 30, 2022 and years ended March 31, 2023, March 31, 2022 and March 31, 2021 were conducted by the component auditors and accordingly reliance is placed on the examination reports, the details of which is tabulated below on the Restated Statement of Assets and Liabilities of the Components as at September 30, 2023 and September 30, 2022, March 31, 2023 March 31, 2022 and March 31, 2021, the Restated Statement of Profit and Loss (including other comprehensive income), Restated Statement of Changes in Equity, Restated Statement of Cash Flows and the Statement of Material Accounting Policies and Other Explanatory Information for the six month period ended September 30, 2023 and September 30, 2022 and years ended March 31, 2023, March 31, 2022 and March 31, 2021 ("Restated Financial Information of the Components") examined by the Component Auditors. Our examination report insofar as it relates to the said components for the six month period ended September 30, 2023 and September 30, 2022 and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 is based solely on the examination reports submitted by the Component Auditors. The Component Auditors have, vide their examination reports, also confirmed that the Restated Financial Information of the Components:

- a. have been prepared after incorporating adjustments for the changes in accounting policies, any material errors and regroupings/ reclassifications to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six month period ended September 30, 2023 and September 30, 2022 and years ended March 31, 2023, March 31, 2022 and March 31, 2021 by the Holding Company, as more fully described in Note 2.1 of Annexure V to the Restated Consolidated Financial Information;
- b. there are no qualifications in the auditor's reports issued on the Special Purpose Interim Financial Statements of the Components as at and for the six month ended September 30, 2023 and September 30, 2022 and Financial Statements of the Components as at and for the years ended March 31, 2023, March 31, 2022, and March 31, 2021 which require any adjustments to the Restated Financial Information of the Components; and
- c. Restated Financial Information of the Components have been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note.



## Details of the Examination Reports on components audited by the Component Auditor-

No.	Name of the Component	Nature of Relationship	Name of Component Auditor	Date of Examination Report
1	Sri Rama Pharmaceutical Distributors Private Limited	Subsidiary	P R Reddy & Co.	January 21, 2024
2	Western Healthcare Solutions Private Limited	Subsidiary	Argee & Co	January 21, 2024
3	S.S. Pharma Traders Private Limited	Subsidiary	Pratap B.Seth & Co	January 21, 2024
4	Curever Pharma Private Limited	Subsidiary	Pratap B.Seth & Co	January 21, 2024

### 5. Management's Responsibility for the Proforma Financial Information

The Company's management is responsible for compiling the Unaudited Proforma Condensed Combined Financial Information on the basis as specified in the "Basis of Preparation" paragraph described in Note 2 to the Unaudited Proforma Condensed Combined Financial Information, which has been approved by the Board of Directors of the Company in their meeting dated January 21, 2024. This responsibility includes the responsibility for designing, implementing and maintaining internal controls relevant for compiling the Unaudited Proforma Condensed Combined Financial Information on the basis stated in the aforementioned note that is free from material misstatement, whether due to fraud or error. The Management is also responsible for identifying and ensuring that the Group complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations for the compilation of Proforma Financial Information.

### 6. Statutory Auditor's Responsibilities

- a. Our responsibility is to express an opinion whether the Unaudited Proforma Condensed Combined Financial Information, has been compiled, in all material respects, by the management, on the basis stated in Note 2 of the Unaudited Proforma Condensed Combined Financial Information.
- b. We conducted our engagement in accordance with the Standard on Assurance Engagements (SAE) 3420, "Assurance Engagements to Report on the Compilation of Proforma Financial Information Included in a Prospectus", issued by the Institute of Chartered Accountants of India ('ICAI'). This Standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Management has compiled, in all material respects, the Proforma Financial Information on the basis stated in Note 2 to the Proforma Financial Information.
- c. For the purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Proforma Condensed Combined Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Proforma Condensed Combined Financial Information.
- d. The purpose of Unaudited Proforma Condensed Combined Financial Information included in the RHP and Prospectus is solely to illustrate the impact of the acquisitions of RS Enterprises and Dhanvantri as described in Note 2 to the Proforma Financial Information on the unadjusted consolidated financial information of the Group as if the acquisitions had been made at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the above mentioned acquisitions as at September 30, 2023 and for the period then ended would have been as presented.

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- e. A reasonable assurance engagement to report on whether the Unaudited Proforma Condensed Combined Financial Information has been compiled, in all material respects, on the basis of the applicable criteria, involves performing procedures to assess whether the applicable criteria used by management in the compilation of the Unaudited Proforma Condensed Combined Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the acquisitions, and to obtain sufficient appropriate evidence about whether:
  - i. The related proforma adjustments give appropriate effect to those criteria; and
  - ii. The Unaudited Proforma Condensed Combined Financial Information reflects the proper application of those adjustments to the unadjusted financial information.
- f. The procedures selected depend on the auditor's judgment, having regard to the auditor's understanding of the nature of the Company, the acquisitions in respect of which the Unaudited Proforma Condensed Combined Financial Information has been compiled, and other relevant engagement circumstances.
- g. The engagement also involves evaluating the overall presentation of the Proforma Financial Information.
- h. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.
- i. This report is issued for the sole purpose of the offering. Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside India, including in the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. This report should not be relied upon by prospective investors in the United States of America, including persons who are Qualified Institutional Buyers as defined under Rule 144A under the United States Securities Act of 1933 participating in the Offering. We accept no responsibility and deny any liability to any person who seeks to rely on this report and who may seek to make a claim in connection with any offering of securities on the basis that they had acted in reliance on such information under the protections afforded by United States of America law and regulation.
- j. We did not audit the financial statements of Dhanvantri for the six month ended September 30, 2023 and RS Enterprises for the period April 1, 2023 to June 30, 2023 and May 8, 2023 to September 15, 2023, based on which the information about Dhanvantri and RS Enterprises has been compiled for the purpose of these Unaudited Proforma Condensed Combined Financial Information. These financial statements of Dhanvantri and RS Enterprises have been audited by A L P & Associates, Chartered Accountants, Chartered Accountants, whose reports have been furnished to us by the management of the Company and our opinion on the Unaudited Proforma Condensed Combined Financial Information, in so far as it relates to the amounts and disclosures included in respect of Dhanvantri and RS Enterprises for the six month ended September 30, 2023, is based solely on the reports of A L P & Associates, Chartered Accountants.
- k. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports or examination reports issued by us or by other auditors on any financial statements of the Company or any of the components included in the Proforma Financial Information (Refer paragraph 3 above).
- l. We have no responsibility to update our report or reissue our report for events and circumstances occurring after the date of the report.

# MSKA & Associates

Chartered Accountants

## 7. Opinion

In our opinion and based on reliance placed on the report submitted by other auditor for audit of Dhanvantri and RS Enterprises as mentioned above, the Unaudited Proforma Condensed Combined Financial Information has been compiled, in all material respects, on the basis of preparation as stated in Note 2 to the Proforma Financial Information.

8. We draw attention to Note 2 to the unaudited proforma condensed combined financial information with regard to inclusion of financial information of Dhanvantri and RS Enterprises for the period April 1, 2023 to September 30, 2023 in unaudited proforma condensed combined financial information, has been included on voluntary basis and not required to be included as proforma financial information as per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

## 9. Restriction on Use

This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the RHP and Prospectus, prepared in connection with the proposed Initial Public Offering of Equity Shares of the Company, to be filed by the Company with the Securities and Exchange Board of India, National Stock Exchange of India Limited BSE Limited and Registrar of Companies, in connection with the proposed Offer. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. The unaudited Proforma Condensed Combined Financial Information is not a complete set of financial statements of the Group in accordance with the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, ("the Act") as applicable and is not intended to give a true and fair view of the Proforma Consolidated Balance Sheet and Proforma Consolidated Statement of profit and loss of the Group for the six month ended September 30, 2023, in accordance with the Indian Accounting Standards prescribed under section 133 of the Act, as applicable. As a result, these unaudited proforma condensed combined consolidated financial information may not be suitable for any other purpose. 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 M S K A & Associates**

**Chartered Accountants**

ICAI Firm Registration No. 105047W

Vaijayantimala Belsare

Partner

Membership No.049902

UDIN: 24049902BKCRDH5759

Place: Mumbai

Date: January 21, 2024

# MSKA & Associates

Chartered Accountants

## Appendix I

Details of entities for the half years / years not audited by us and name of the other auditor for the respective year ended:

### 1. As of and for the half year ended September 30, 2023-

S.no.	Name of Entity	Relationship	Auditor
1	Sri Rama Pharmaceutical Distributors Private Limited	Subsidiary	PR Reddy & Co.
2	Western Healthcare Solutions Private Limited	Subsidiary	Argee & Co
3	Chhabra Healthcare Solutions Private Limited	Subsidiary	Singh Chhabra & Co
4	Chethana Healthcare Solutions Private Limited	Subsidiary	M/s Joshi & Co
5	S.S. Pharma Traders Private Limited	Subsidiary	Pratap B.Seth & Co
6	Sundarlal Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
7	New Siva Agencies Private Limited	Subsidiary	Argee & Co
8	Saurashtra Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
9	New RRPD Pvt. Ltd	Subsidiary	Argee & Co
10	Sree Venkateshwara Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
11	SVS Lifesciences Private Limited	Subsidiary	Pratap B.Seth & Co
12	Swami Medisolutions Pvt Ltd	Subsidiary	Singh Chhabra & Co
13	Atreja Healthcare Solutions Private Limited	Subsidiary	Singh Chhabra & Co
14	CPD Pharma Private Limited	Subsidiary	Srinivasan Sundaram & Co.
15	Calcutta Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
16	Chethana Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
17	City Pharma Distributors Private Limited	Subsidiary	Argee & Co
18	Curever Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
19	Rimedio Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
20	Quromed Life Sciences Private Limited	Subsidiary	Pratap B.Seth & Co
21	Zennx Software Solutions Private Limited	Subsidiary	Pratap B.Seth & Co
22	Entero RS Enterprises Private Limited	Subsidiary	Pratap B.Seth & Co

### 2. As of and for the half year ended September 30, 2022-

S.no.	Name of Entity	Relationship	Auditor
1	Sri Rama Pharmaceutical Distributors Private Limited	Subsidiary	PR Reddy & Co.
2	Western Healthcare Solutions Private Limited	Subsidiary	Argee & Co
3	Chhabra Healthcare Solutions Private Limited	Subsidiary	Singh Chhabra & Co
4	Chethana Healthcare Solutions Private Limited	Subsidiary	M/s Joshi & Co
5	S.S. Pharma Traders Private Limited	Subsidiary	Pratap B.Seth & Co
6	Sundarlal Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
7	New Siva Agencies Private Limited	Subsidiary	Argee & Co
8	Saurashtra Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
9	New RRPD Pvt. Ltd	Subsidiary	Argee & Co
10	Sree Venkateshwara Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
11	SVS Lifesciences Private Limited	Subsidiary	Pratap B.Seth & Co
12	Swami Medisolutions Pvt Ltd	Subsidiary	Singh Chhabra & Co
13	Atreja Healthcare Solutions Private Limited	Subsidiary	Singh Chhabra & Co

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14	CPD Pharma Private Limited	Subsidiary	Srinivasan Sundaram & Co.
15	Calcutta Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
16	Chethana Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
17	City Pharma Distributors Private Limited	Subsidiary	Argee & Co
18	Curever Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
19	Rimedio Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
20	Quomed Life Sciences Private Limited	Subsidiary	Pratap B.Seth & Co
21	Zennx Software Solutions Private Limited	Subsidiary	Pratap B.Seth & Co

### 3. As of and for the year ended March 31, 2023-

S.no.	Name of Entity	Relationship	Auditor
1	Sri Rama Pharmaceutical Distributors Private Limited	Subsidiary	PR Reddy & Co.
2	Western Healthcare Solutions Private Limited	Subsidiary	Argee & Co
3	Chhabra Healthcare Solutions Private Limited	Subsidiary	Singh Chhabra & Co
4	Chethana Healthcare Solutions Private Limited	Subsidiary	M/s Joshi & Co
5	S.S. Pharma Traders Private Limited	Subsidiary	Pratap B.Seth & Co
6	Sundarlal Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
7	New Siva Agencies Private Limited	Subsidiary	Argee & Co
8	Saurashtra Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
9	New RRPD Pvt. Ltd	Subsidiary	Argee & Co
10	Sree Venkateshwara Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
11	SVS Lifesciences Private Limited	Subsidiary	Pratap B.Seth & Co
12	Swami Medisolutions Pvt Ltd	Subsidiary	Singh Chhabra & Co
13	Atreja Healthcare Solutions Private Limited	Subsidiary	Singh Chhabra & Co
14	CPD Pharma Private Limited	Subsidiary	Srinivasan Sundaram & Co.
15	Calcutta Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
16	Chethana Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
17	City Pharma Distributors Private Limited	Subsidiary	Argee & Co
18	Curever Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
19	Rimedio Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
20	Quomed Life Sciences Private Limited	Subsidiary	Pratap B.Seth & Co
21	Zennx Software Solutions Private Limited	Subsidiary	Pratap B.Seth & Co

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## 4. As of and for the year ended March 31, 2022-

S.no.	Name of Entity	Relationship	Auditor
1	Chhabra Healthcare Solutions Private Limited	Subsidiary	Singh Chhabra & Co
2	Sundarlal Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
3	Chethana Healthcare Solutions Private Limited	Subsidiary	M/s Joshi & Co
4	Rada Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
5	Sesha Balajee Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
6	Chethana pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
7	Sree Venkateshwara Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
8	CPD Pharma Private Limited	Subsidiary	Srinivasan Sundaram & Co.
9	Calcutta Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
10	Curever Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
11	Rimedio Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
12	Quomed Life Sciences Private Limited	Subsidiary	Pratap B.Seth & Co
13	Atreja Healthcare Solutions Pvt Ltd	Subsidiary	Singh Chhabra & Co
14	Western Health Care Solutions Private Limited	Subsidiary	Agree & Co
15	City Pharma Distributors Private Limited	Subsidiary	Agree & Co
16	Zenex Software Solutions Private Limited	Subsidiary	Pratap B.Seth & Co
17	Swami Medisolutions Private Limited	Subsidiary	Singh Chhabra & Co
18	New RRPD Private Limited	Subsidiary	Agree & Co
19	New Siva Agencies Private Limited	Subsidiary	Agree & Co
20	Sri Parshva Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co

## 5. As of and for the year ended March 31, 2021-

S.no.	Name of Entity	Relationship	Auditor
1	G.S.Pharmaceutical Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
2	Getwell Medicare Solution Private Limited	Subsidiary	Agree & Co
3	Galaxystar Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
4	Chhabra Healthcare Solutions Private Limited	Subsidiary	Singh Chhabra & Co
5	Sundarlal Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
6	Jaggi Enterprises Private Limited	Subsidiary	Pratap B.Seth & Co
7	Chethana Healthcare Solutions Private Limited	Subsidiary	M/s Joshi & Co
8	Vasavi Medicare Solutions Private Limited	Subsidiary	Pratap B.Seth & Co

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9	SVMED Solutions Private Limited	Subsidiary	Pratap B.Seth & Co
10	Millennium Medisolutions Private Limited	Subsidiary	Arun K Gupta & Associates
11	Rada Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
12	Sesha Balajee Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
13	Barros Enterprises Private Limited	Subsidiary	Pratap B.Seth & Co
14	Chethana pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
15	Sree Venkateshwara Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
16	CPD Pharma Private Limited	Subsidiary	Srinivasan Sundaram & Co.
17	Calcutta Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
18	Curever Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
19	Rimedio Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
20	Quomed Life Sciences Private Limited	Subsidiary	Pratap B.Seth & Co

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)  
Pro Forma Consolidated Balance sheet as at 30 September 2023  
(₹ in Million, unless otherwise stated)

Particulars	Entero Group (Restated Consolidated) (Note 1 & 2)	Dhanvantri (Carved Out) (Note 3)	Pro Forma Adjustments (Note 4)	Entero Group Pro Forma Consolidated
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	419.86	0.23	-	420.09
Right to Use Asset	483.77	-	-	483.77
Goodwill	1,683.06	-	225.88	1,908.94
Other intangible assets	35.72	-	-	35.72
<b>Financial assets</b>				
Other Financial Assets	123.09	-	-	123.09
Deferred tax asset (net)	70.67	-	7.80	78.47
Non - Current tax assets (net)	82.45	-	-	82.45
<b>Total non-current assets</b>	<b>2,898.62</b>	<b>0.23</b>	<b>233.68</b>	<b>3,132.53</b>
<b>Current assets</b>				
Inventories	3,874.64	61.40	-	3,936.04
<b>Financial assets</b>				
Trade receivables	6,304.88	218.03	-	6,522.91
Cash and cash equivalents	519.29	-	-	519.29
Bank balances other than cash and cash equivalent	784.32	-	-	784.32
Loans	1.07	-	-	1.07
Other financial assets	29.38	-	-	29.38
Other current assets	647.34	-	-	647.34
<b>Total current assets</b>	<b>12,160.92</b>	<b>279.43</b>	<b>-</b>	<b>12,440.35</b>
<b>Total assets</b>	<b>15,059.54</b>	<b>279.66</b>	<b>233.68</b>	<b>15,572.88</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity share capital	160.67	-	162.40	323.07
Owner's net Interest	-	145.86	(145.86)	-
Instruments entirely equity in nature	7,026.43	-	-	7,026.43
Other equity	(610.75)	-	(7.82)	(618.57)
<b>Equity attributable to owners of the company</b>	<b>6,576.35</b>	<b>145.86</b>	<b>8.72</b>	<b>6,730.93</b>
<b>Non-Controlling Interests</b>	<b>29.13</b>	<b>-</b>	<b>24.73</b>	<b>53.86</b>
<b>Total equity</b>	<b>6,605.48</b>	<b>145.86</b>	<b>33.45</b>	<b>6,784.79</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
<b>Financial liabilities</b>				
Borrowings	1,134.75	-	-	1,134.75
Lease Liabilities	462.85	-	-	462.85
Provisions	63.12	-	-	63.12
Deferred tax Liability (net)	10.54	-	-	10.54
<b>Total non-current liabilities</b>	<b>1,671.26</b>	<b>-</b>	<b>-</b>	<b>1,671.26</b>
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
Borrowings	3,752.01	-	162.40	3,914.41
Lease Liabilities	125.26	-	-	125.26
<b>Trade payables</b>				
i) total outstanding dues of micro enterprises and small enterprises	30.31	-	-	30.31
ii) total outstanding dues of creditors other than micro enterprise and small enterprise	2,218.33	133.80	-	2,352.13
Other financial liabilities	396.99	-	10.56	407.55
Other current liabilities	188.11	-	-	188.11
Provisions	30.66	-	30.00	60.66
Current tax liabilities (net)	41.13	-	(2.73)	38.40
<b>Total current liabilities</b>	<b>6,782.80</b>	<b>133.80</b>	<b>200.23</b>	<b>7,116.83</b>
<b>Total liabilities</b>	<b>8,454.06</b>	<b>133.80</b>	<b>200.23</b>	<b>8,788.09</b>
<b>Total equity and liabilities</b>	<b>15,059.54</b>	<b>279.66</b>	<b>233.68</b>	<b>15,572.88</b>

The accompanying notes form integral part of the pro-forma consolidated financial information

**For M S K A & Associates**  
Chartered Accountants  
Firm Registration No.:105047W

For and on behalf of the Board of Directors  
**Entero Healthcare Solutions Limited**  
(formerly known as Entero Healthcare Solutions Private Limited)  
CIN: U74999HR2018PLC072204

**Vaijayantimala Belsare**  
Partner  
Membership No: 049902  
Place: Mumbai  
Date: 21-January-2024

**Prabhat Agrawal**  
Managing Director  
DIN: 07466382  
Place: Mumbai  
Date: 21-January-2024

**Prem Sethi**  
Director  
DIN: 07077034

**CV Ram**  
Chief Financial Officer  
M.N 206013

**Jayant Prakash**  
Company Secretary  
M.N.:FCS-6742



Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Pro Forma Consolidated Statement of Profit and Loss for the period ended 30 September 2023

(₹ in million, unless otherwise stated)

Particulars	Acquisitions					Pro Forma Adjustments (Note 4)	Entero Group Pro Forma Consolidated
	Entero Group (Restated Consolidated) (Note 1 & 2)	Entero R.S. Enterprise Private Limited (upto date of acquisition) (Carved out) (Note 3)	RS Enterprises (Carved out) (Note 3)	Dhanvantri (Carved Out) (Note 3)			
<b>Income</b>							
Revenue from operations	18,955.01	210.97	273.19	694.58	-	-	20,133.75
Other income	34.76	-	0.43	-	-	-	35.20
<b>Total income</b>	<b>18,989.77</b>	<b>210.97</b>	<b>273.63</b>	<b>694.58</b>	<b>-</b>	<b>-</b>	<b>20,168.95</b>
<b>Expenses</b>							
Purchase of Stock-in-trade	17,600.30	182.58	241.28	632.97	-	-	18,657.13
Changes in inventories of Stock-in-trade	-336.86	7.48	1.89	(4.10)	-	-	(331.59)
Employee benefits expense	733.26	4.75	10.44	10.23	-	-	758.67
Finance costs	322.91	0.22	0.14	1.13	10.56	-	334.97
Depreciation and amortization expense	118.79	0.68	-	0.09	-	-	119.56
Other expenses	414.65	2.54	3.83	28.15	-	-	449.18
<b>Total expenses</b>	<b>18,853.05</b>	<b>198.25</b>	<b>257.58</b>	<b>668.47</b>	<b>10.56</b>	<b>-</b>	<b>19,987.91</b>
<b>Profit before tax</b>	<b>136.72</b>	<b>12.72</b>	<b>16.05</b>	<b>26.11</b>	<b>(10.56)</b>	<b>-</b>	<b>181.04</b>
<b>Tax expenses/ (credit)</b>							
Current tax	66.93	3.46	4.04	7.83	(2.74)	-	79.52
Deferred tax	(46.63)	-	-	-	-	-	(46.63)
<b>Total income tax expense</b>	<b>20.30</b>	<b>3.46</b>	<b>4.04</b>	<b>7.83</b>	<b>(2.74)</b>	<b>-</b>	<b>32.89</b>
<b>Profit for the year</b>	<b>116.43</b>	<b>9.26</b>	<b>12.01</b>	<b>18.28</b>	<b>(7.82)</b>	<b>-</b>	<b>148.15</b>
<b>Other comprehensive Income/ (Loss)</b>							
<i>Items that will not be reclassified to profit or loss</i>							
Remeasurement loss on defined benefit plan	0.42	-	-	-	-	-	0.42
Income tax effect	0.15	-	-	-	-	-	0.15
<b>Total</b>	<b>0.57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.57</b>
<i>Items that will be reclassified to profit or loss</i>							
	-	-	-	-	-	-	-
<b>Other comprehensive income for the year, net of tax</b>	<b>0.57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.57</b>
<b>Total comprehensive income for the year</b>	<b>116.99</b>	<b>9.26</b>	<b>12.01</b>	<b>18.28</b>	<b>(7.82)</b>	<b>-</b>	<b>148.72</b>
<b>Profit attributable to</b>							
Owners of the Company	113.66	9.26	12.01	14.62	(7.82)	-	141.72
Non-Controlling Interest	2.77	-	-	3.66	-	-	6.43
<b>Total comprehensive income attributable to</b>	<b>116.43</b>	<b>9.26</b>	<b>12.01</b>	<b>18.28</b>	<b>(7.82)</b>	<b>-</b>	<b>148.15</b>
<b>Owners of the Company</b>	<b>114.20</b>	<b>9.26</b>	<b>12.01</b>	<b>14.62</b>	<b>(7.82)</b>	<b>-</b>	<b>142.27</b>
<b>Non-Controlling Interest</b>	<b>2.79</b>	<b>-</b>	<b>-</b>	<b>3.66</b>	<b>-</b>	<b>-</b>	<b>6.45</b>
	<b>116.99</b>	<b>9.26</b>	<b>12.01</b>	<b>18.28</b>	<b>(7.82)</b>	<b>-</b>	<b>148.72</b>

**Earnings per share**

Basic (INR)

3.67

Diluted (INR)

3.67

The accompanying notes form integral part of the pro-forma consolidated financial information

**For M S K A & Associates**

Chartered Accountants

Firm Registration No.:105047W

For and on behalf of the Board of Directors

**Entero Healthcare Solutions Limited**

**(formerly known as Entero Healthcare Solutions Private Limited)**

CIN: U74999HR2018PLC072204

**Vaijayantimala Belsare**

Partner

Membership No: 049902

Place: Mumbai

Date: 21-January-2024

**Prabhat Agrawal**

Managing Director

DIN: 07466382

Place: Mumbai

Date: 21-January-2024

**Prem Sethi**

Director

DIN: 07077034

**CV Ram**

Chief Financial Officer

M.N 206013

**Jayant Prakash**

Company Secretary

M.N.:FCS-6742

**Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)**

**Notes to Pro Forma Consolidated Financial Information**

(₹ in million, unless otherwise stated)

**1. Background**

On 28 June 2023, Entero R.S. Enterprises Private Limited completed the acquisition of R.S Enterprises (Bangalore) Private Limited under slump sale. Entero R.S. Enterprises Private Limited was incorporated on 8 May 2023 and started business from 1 July 2023 post acquisition of business from R.S Enterprises under the Business transfer agreement. The deal envisaged the acquisition of the business for a total cash consideration of INR 226.97 million including milestone payments of INR 150.00 million payable after completion of audit for the year ending on 31 March 2024 subject to certain adjustments. The transaction is accounted as per acquisition method of business combination under Ind AS 103. Entero R.S. Enterprises Private Limited and R.S Enterprises (Banaglore) Private Limited are collectively defined as "RS Enterprises" for the purpose of these financial statements.

As on 16 September 2023, the Company purchased 100% share capital of Entero R.S Enterprises Private Limited under a share purchase agreement (SPA). Consequently, Entero R.S Enterprises Private Limited has become a 100% subsidiary of the Company w.e.f. 16 September 2023.

On 04 August 2023, ("the Effective Date"), the group has entered into a Memorandum of Understanding (MoU) for acquisition of 80% stake of Dhanvanthri Speciality Pharma Private Limited ("Dhanvantri") as a part of slump sale transaction at INR 324.8 million. The acquisition will be accounted for as a business combination using the acquisition method of accounting under Ind AS 103 Business Combinations with the Effective date being the acquisition date.

Basis above, RS Enterprises and Dhanvantri have been determined to be accounting acquirees and Entero Healthcare as the accounting acquirer. As of the acquisition date of R.S Enterprises, the Company recorded the identified assets acquired and liabilities assumed at their respective fair values. Upon consummation of the acquisition, the carved out special purpose financial statements of RS Enterprises for the period from 16 Septemebr 2023 to 30 September 2023 are consolidated in the Interim special purpose consolidated financial statments of Entero healthcare solutions limited for six month period ended 30 September 2023 financial statements of RS Enterprises.

The details of acquisiton are set out in Note 3.

**2. Basis of preparation**

The pro-forma consolidated financial information of the Entero Group comprising of the Pro forma consolidated balance-sheet as at 30 September 2023, Pro forma consolidated statement of profit and loss for the six month period ended 30 September 2023, read with notes to the pro-forma consolidated financial information is (hereinafter referred to as the 'pro-forma consolidated financial information'), is prepared to reflect the acquisition of RS Enterprises and Dhanvantri. The proforma financial information has been included on a voluntary basis and not required to be included as "proforma financial information" as per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the Guidance Note on Proforma Financial Statements issued by the Institute of Chartered Accountants of India.

The pro forma consolidated balance sheet as at 30 September 2023 has been prepared, as if acquisitions have taken place as on 30 September 2023.

The pro forma consolidated profit and loss for the six month period ended 30 September 2023, as if acquisition have taken place on 01 April 2023.

Because of their nature, the pro forma consolidated financial information addresses a theoretical situation and therefore, does not represent Entero Group's factual financial results. They purport to indicate the results that would have occurred had the acquisition been completed at the dates mentioned above, but are not intended to be indicative of expected results or operations in the future periods of the Group.

In addition, the rules and regulations related to the preparation of pro forma consolidated financial information in other jurisdictions may also vary significantly from the basis of preparation as set out in paragraphs below. Accordingly, the degree of reliance placed by investors in other jurisdictions on such pro forma information should be limited.

The pro forma financial information for the periods presented has been prepared by combining the following financial information prepared as per Ind AS and after making the adjustments as detailed in the following section "Pro forma adjustments" –

**Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)**

**Notes to Pro Forma Consolidated Financial Information**

(₹ in million, unless otherwise stated)

- (a) the restated consolidated financial information of Entero Group as at and for the six month period ended 30 September, 2023, (included elsewhere in the UDRHP);
- (b) the audited carved out standalone financial statements of RS Enterprises as at and for the period from 1 April 2023 to 30 June 2023;
- (c) the audited carved out standalone financial statements of Entero RS Enterprises Private Limited for the period from 1 July 2023 to 15 September 2023.
- (d) the audited carved out standalone financial statements of Dhanvantri as at and for the six month period ended 30 September 2023;

Accordingly, the various columns in the pro forma consolidated financial information, for the periods presented, represent as below:

- (i) Column A represents restated consolidated financial information of Entero Group as included elsewhere in the UDRHP;
- (ii) Columns represented by "Acquisitions" reflect historical financial information of Entero RS Enterprises Private Limited, RS Enterprises and Dhanvantri for the respective periods as stated in the paragraph above;
- (iii) Columns represented by "Adjustments" reflect impact of adjustments arising out of acquisition, reclassification adjustments, if any and intercompany eliminations as described in Note 4 below.

The pro forma adjustments are based on available information and assumptions that the management of the Company believes to be reasonable as on the date of these financial statements. The pro forma adjustments are included only to the extent they are (i) directly attributable to the acquisition and (ii) factually supportable. The adjustments do not consider any expected cost savings or potential synergies that may result from the acquisition.

The Restated Consolidated Financial Information of Entero Group has been prepared by the management from the audited consolidated financial statements of the Entero Group which is prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other relevant provisions of the Act. The pro forma consolidated financial information has been compiled in a manner consistent with the accounting policies adopted by Entero Group in its restated consolidated financial information for the six month period ended 30 September 2023.

The carved out standalone special purpose financial statements of RS Enterprises and Dhanvantri, as referred above, have been prepared to enable Entero Group to prepare pro forma consolidated financial information.

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**Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)**

**Notes to Pro Forma Consolidated Financial Information**

(₹ in million, unless otherwise stated)

**Note 3: Acquisition Details**

(a) Acquisition of RS Enterprises (Bangalore) Private Limited ("RS Enterprises")

On 28 June 2023, Entero R.S. Enterprises Private Limited completed the acquisition of the R.S Enterprises (Bangalore) Private Limited under slump sale. The deal envisaged the acquisition of the business for a total cash consideration of INR 226.97 million including milestone payments of INR 150.00 million payable after completion of audit for the year ending on 31 March 2024 subject to certain adjustments. The transaction is accounted as per acquisition method of business combination under Ind AS 103.

As on 16 September 2023, the Company purchased 100% share capital of Entero R.S Enterprises Private Limited under share purchase agreement (SPA). Consequently, Entero R.S Enterprises Private Limited has become a 100% subsidiary of the Company w.e.f. 16 September 2023.

(b) Acquisition of Dhanvanthri Speciality Pharma Private Limited ("Dhanvantri")

On 04 August 2023, the group has entered into a binding Memorandum of Understanding (MoU) for acquisition of 80% of trading of pharma products business of Dhanvanthri Speciality Pharma Private Limited. Pursuant to this MoU, the aforesaid business will be transferred to the group as a going concern on a slump sale basis for a total cash consideration of INR 324.80 million. The acquisition is proposed to be funded through the short term loans at the interest rate of 13.00% p.a. and balance through the issue of fresh equity shares. The transaction is accounted as per acquisition method of business combination under Ind AS 103.

The actual value of net assets and consequential goodwill shall be determined and recorded on the date of closing.

The acquisition is in line with the Company's strategy to consolidate its position in Bangalore market.

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Notes to Pro Forma Consolidated Financial Information

(₹ in million, unless otherwise stated)

**Note 4: Pro forma adjustments**

**(A) Adjustments to Pro forma Consolidated Balance-sheet as at 30 September 2023**

**a) Preliminary purchase price allocation**

The following table presents the pro forma adjustments to the balance-sheet as at 30 September 2023 with respect to allocation of purchase price for the assets acquired and liabilities assumed of each of the acquired entities and the resultant goodwill, if any, as if the acquisition occurred on 30 September 2023.

Description	Dhanvantri	Total
<b>Purchase Consideration (i)</b>	<b>324.80</b>	<b>324.80</b>
<b>Assets acquired and liabilities assumed</b>		
<b>Assets</b>		
Property, plant and Equipments	0.23	0.23
Inventories	61.40	61.40
Trade Receivables	218.03	218.03
DTA on additional Provision	7.80	7.80
<b>Total Assets[A]</b>	<b>287.45</b>	<b>287.45</b>
<b>Liabilities</b>		
Trade Payables	133.80	133.80
Provisions	30.00	30.00
Other Financial Liabilities	-	-
<b>Total Liabilities[B]</b>	<b>163.80</b>	<b>163.80</b>
<b>Net assets acquired [A-B] (ii)</b>	<b>123.65</b>	<b>123.65</b>
<b>Proportionate Share of Net Assets of Dhanvantri @ 20% (iii)</b>	<b>24.73</b>	<b>24.73</b>
<b>Goodwill on Acquisition(i-ii+iii)</b>	<b>225.88</b>	<b>225.88</b>

The purchase consideration has been funded through following source:

Description	Dhanvantri	Total
Current borrowings	162.40	162.40
Equity Shares	162.40	162.40
<b>Total</b>	<b>324.80</b>	<b>324.80</b>

**b) Impact of Equity**

The following tables summarizes impact of acquisitions on equity:

Description	Dhanvantri	Total
<b>i) Equity Share Capital</b>		
Elimination of historical equity balances	(145.86)	(145.86)
Issue of fresh equity	162.40	162.40
<b>Net Impact on Equity Share Capital (A)</b>	<b>16.54</b>	<b>16.54</b>
<b>ii) Other Equity</b>		
Elimination of historical equity balances (reserves and surplus)	-	-
Interest Accrued on Short term Borrowing	(10.56)	(10.56)
Less: Current tax expense reversed on account of finance cost	2.74	2.74
<b>Net impact to reserves and surplus (B)</b>	<b>(7.82)</b>	<b>(7.82)</b>
<b>Net impact to Non-Controlling Interest (C)</b>	<b>24.73</b>	<b>24.73</b>
<b>Proforma Adjustments to Equity (A+B+C)</b>	<b>33.46</b>	<b>33.46</b>

**c) Pro forma adjustments to Deferred taxes**

Description	As at 30 September 2023
<b>Deferred Tax Assets</b>	
DTA recognised on additional provisions for acquisition of Dhanvantri	7.80
<b>Total</b>	<b>7.80</b>

**d) Pro forma adjustments to borrowings**

Description	As at 30 September 2023
<b>Current Borrowings</b>	
Short-term borrowings for acquisition of Dhanvantri	162.40
<b>Total</b>	<b>162.40</b>

**e) Pro forma adjustments to other financial liabilities**

Description	As at 30 September 2023
<b>Current</b>	
Interest accrued on Borrowings on acquisition of Dhanvantri	10.56
<b>Total</b>	<b>10.56</b>

**f) Pro forma adjustments to Current tax Liabilities**

Description	As at 30 September 2023
Reversal of current tax liabilities	(2.74)
<b>Total</b>	<b>(2.74)</b>

**g) Pro forma adjustments to Short term Provisions**

Description	As at 30 September 2023
<b>Current</b>	
Additional Provisions recorded on acquisition of Dhanvantri	30.00
<b>Total</b>	<b>30.00</b>

**(B) Adjustments to Pro forma Consolidated Statement of Profit and Loss**

**a) Finance Cost**

Description	For the Six months ended September 30, 2023
Interest expense pertaining to borrowings availed to fund acquisition through effective interest rate method	10.56
<b>Total</b>	<b>10.56</b>

**b) Tax impact of pro forma adjustments**

Adjustment to record the current tax impact of the pro forma adjustment relating to finance cost. The income tax expense was determined by applying the an estimated statutory tax rate of 26.00% to the [re-tax amount of the acquisition related pro forma

The following table present the summary of pro forma adjustment to Tax expenses for the period ended 30 September 2023:

Description	For the Six months ended September 30, 2023
Reversal of current tax expense on finance cost	(2.74)
<b>Total</b>	<b>(2.74)</b>

**(C) Profit per Share**

The pro forma Basic and diluted loss per share for the six months period ended 30 September 2023, are calculated as follows (in millions, except per share data)

Description	For the Six months ended September 30, 2023
Profit attributable to the equity holders of the Company (A) (INR)	141.72
Weighted Average number of shares issued for Basic EPS (B)	3,85,90,964
Adjustment for calculation of Diluted EPS ( C )	-
Weighted Average number of shares issued for Diluted EPS (D= B+C)	3,85,90,964
<b>Basic and diluted EPS in INR</b>	<b>3.67</b>

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INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE COMPILATION OF PROFORMA FINANCIAL INFORMATION INCLUDED IN DRAFT RED HERRING PROSPECTUS

The Board of Directors  
Entero Healthcare Solutions Limited  
Plot No. I-35, Building-B,  
Industrial Area Phase-I,  
13/7 Mathura Road,  
Faridabad, Haryana, 121003.

Report on the compilation of unaudited Proforma Financial Information comprising of the Proforma Consolidated Balance Sheet as at March 31, 2023, Proforma Consolidated Statement of Profit and Loss (including Other Comprehensive Income) for the financial year ended March 31, 2023 and related notes (together, the "Proforma Financial Information") in connection with the proposed Initial Public Offering of Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)(the "Company") (and such offering, the "Offer")

1. This Report is issued in accordance with the terms of our engagement letter dated June 19, 2023.
2. We have completed our assurance engagement to report on the compilation of Proforma Financial Information of the Company and its subsidiaries (the "Group") prepared by the management of the Company. The Proforma Financial Information consists of the Proforma Consolidated Balance Sheet as at March 31, 2023, Proforma Consolidated Statement of Profit and Loss for the year ended March 31, 2023 and related notes (hereinafter referred to as the "Proforma Financial Information") for inclusion in the Draft Red Herring Prospectus ('DRHP') by the Company. The applicable criteria, on the basis of which management has compiled the Proforma Financial Information are as required by clause 11 (I) (B) (iii) of Part A of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations") and specified in the "Basis of preparation" paragraph as described in Note 2 to the Proforma Financial Information.
3. The Proforma Financial Information has been compiled by the Company's management to illustrate the impact of the acquisition of RS Enterprises (Bangalore) Private Limited and Dhanvanthri Speciality Private Limited as set out in Note 1 to the Proforma Financial Information on the Group's financial position as at March 31, 2023 and its financial performance for the year ended March 31, 2023, as if the acquisitions had taken place as on that date. As part of this process, information about the Group's financial position and financial performance have been extracted by the Company's management from:
  - (a) The Group's Restated Consolidated Financial Information as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021, on which we have issued our examination report dated September 7, 2023 (included in the DRHP);
  - (b) the audited special purpose financial statements of RS Enterprises (Bangalore) Private Limited for the year ended March 31, 2023, audited by another auditor whose audit report dated August 21, 2023, expressed an unmodified opinion on those financial statements.
  - (c) the audited special purpose financial statements of Dhanvanthri Speciality Private Limited for the year ended March 31, 2023, audited by another auditor whose audit report dated August 21, 2023, expressed an unmodified opinion on those financial statements.
4. As indicated in the Examination Report and audit reports referred to in paragraph 3 above:
  - (a) The Examination Report issued by us dated September 7, 2023 on the Restated Consolidated Financial Information of the Group as at March 31, 2023, March 31, 2022, March 31, 2021 and for the years ended March 31, 2023, March 31, 2022, March 31, 2021 includes the

following emphasis of matter paragraph:

“We draw your attention to Note 54 to the Consolidated Financial Statements which states that the management has made an assessment of the impact of COVID-19 on the Group’s operations, financial performance and position as at and for the year ended 31 March 2021, and has concluded that there is no impact which is required to be recognised in Consolidated Financial Statements. Accordingly, no adjustments have been made to these Consolidated Financial Statements.

Our opinion is not modified in respect of this matter.”

- (b) The Examination Report issued by us dated September 7, 2023 on the Restated Consolidated Financial Information of the Group as at March 31, 2023, March 31, 2022, March 31, 2021 and for the year ended March 31, 2023, March 31, 2022, March 31, 2021 includes the following other matter paragraph:

We did not audit the financial statements of 21 subsidiaries included in the Group as of and for the year ended March 31, 2023, 20 subsidiaries included in the Group as of and for the year ended March 31, 2022, 20 subsidiaries included in the Group as of and for the year ended March 31, 2021, whose financial statements reflect total assets, total revenues, and net cash inflows / (outflows), before consolidation adjustments, included in the Consolidated Financial Statements, for the relevant years as tabulated below:

Particulars	As at/ for the year ended March 31, 2023	As at/ for the year ended March 31, 2022	As at/ for the year ended March 31, 2021
No. of Entities	21	20	20
Total Assets (Rs. in Millions)	3056.71	3,120.45	3,217.57
Total Revenue (Rs. in Millions)	6,598.60	4,899.16	8,937.42
Net Cash Inflows/ Outflows (Rs. in Millions)	42.74	75	(68.70)

These financial statements have been audited by other auditors as set out in Appendix I whose reports have been furnished to us by the Company’s management and our opinions for the relevant years on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these components for the relevant years, is based solely on the reports of the other auditors.

Our opinion is not modified in respect of this matter.

5. The examination of Restated Financial Information for two subsidiaries (the “Components”) for the years ended March 31, 2023 and March 31, 2022 were conducted by the component auditors and accordingly reliance is placed on the Examination Reports, the details of which is tabulated below on the Restated Statement of Assets and Liabilities of the Components as at March 31, 2023 and March 31, 2022, the Restated Statement of Profit and Loss (including Other Comprehensive Income), Restated Statement of Changes in Equity, Restated Statement of Cash Flows and the Statement of Significant Accounting Policies and Other Explanatory Information for the years ended March 31, 2023 and March 31, 2022 (“Restated Financial Information of the Components”) examined by the component auditors. Our examination report insofar as it relates to the said Components for the years ended March 31, 2023, and March 31, 2022 is based solely on the Examination Reports submitted by the component auditors. The component auditors have, vide their Examination Reports, also confirmed that the Restated Financial Information of the Components:
- i) have been prepared after incorporating adjustments for the changes in accounting policies, any material errors and regroupings/ reclassifications to reflect the same accounting treatment as per the accounting policies and grouping/classifications



followed as at and for the years ended March 31, 2023, and March 31, 2022 by the Company, as more fully described in Note 2.1 of Annexure V to the Restated Consolidated Financial Information;

- ii) there are no qualifications in the auditor's reports issued on the IND AS Financial Statements of the Components as at and for the years ended March 31, 2023, and March 31, 2022 which require any adjustments to the Restated Financial Information of the Components; and
- iii) Restated Financial Information of the Components have been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note.

Details of the Examination Reports on Components audited by the component auditor-

No.	Name of the Component	Nature of Relationship	Name of Component Auditor	Date of Examination Report
1	Sri Rama Pharmaceutical Distributors Private Limited	Subsidiary	P R Reddy & Co.	September 7, 2023
2	Western Healthcare Solutions Private Limited	Subsidiary	Argee & Co	September 5, 2023

## 6. Management's Responsibility for the Proforma Financial Information

The Company's management is responsible for compiling the Proforma Financial Information on the basis as specified in the "Basis of Preparation" paragraph described in Note 2 to the Proforma Financial Information, which has been approved by the Board of Directors of the Company in their meeting dated September 7, 2023. This responsibility includes the responsibility for designing, implementing and maintaining internal controls relevant for compiling the Proforma Financial Information on the basis stated in the aforementioned note that is free from material misstatement, whether due to fraud or error. The management is also responsible for identifying and ensuring that the Group complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations for the compilation of Proforma Financial Information.

### Statutory Auditor's Responsibilities

- 7. Our responsibility is to express an opinion whether the Proforma Financial Information, has been compiled, in all material respects, by the management, on the basis stated in Note 2 of the Proforma Financial Information.
- 8. We conducted our engagement in accordance with the Standard on Assurance Engagements (SAE) 3420, "Assurance Engagements to Report on the Compilation of Proforma Financial Information Included in a Prospectus", issued by the Institute of Chartered Accountants of India. This Standard requires that we comply with the ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the management has compiled, in all material respects, the Proforma Financial Information on the basis stated in Note 2 to the Proforma Financial Information.
- 9. For the purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Proforma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Proforma Financial Information.
- 10. The purpose of Proforma Financial Information included in the DRHP is solely to illustrate the impact of the acquisitions of RS Enterprises (Bangalore) Private Limited and Dhanvantri Speciality Private Limited as described in Note 2 to the Proforma Financial Information on

the unadjusted financial information of the Group as if the acquisitions had been made at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the acquisitions at April 1, 2022 would have been as presented.

11. A reasonable assurance engagement to report on whether the Proforma Financial Information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the management in the compilation of the Proforma Financial Information provides a reasonable basis for presenting the significant effects directly attributable to the acquisitions, and to obtain sufficient appropriate evidence about whether:
  - a. The related proforma adjustments give appropriate effect to those criteria; and
  - b. The Proforma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.
12. The procedures selected depend on the auditor's judgment, having regard to the auditor's understanding of the nature of the Company, the acquisitions in respect of which the Proforma Financial Information has been compiled, and other relevant engagement circumstances.
13. The engagement also involves evaluating the overall presentation of the Proforma Financial Information.
14. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.
15. We did not audit the financial statements of Dhanvanthri Speciality Private Limited and R. S. Enterprises (Bangalore) Private Limited for the year ended March 31, 2023, based on which the information about Dhanvanthri Speciality Private Limited and R. S. Enterprises (Bangalore) Private Limited has been compiled for the purpose of these Proforma Financial Information. These financial statements of Dhanvanthri Speciality Private Limited and R. S. Enterprises (Bangalore) Private Limited have been audited by D.N Dokania & Associates, Chartered Accountants, whose reports have been furnished to us by the management of the Company and our opinion on the Proforma Financial Information, in so far as it relates to the amounts and disclosures included in respect of Dhanvanthri Speciality Private Limited and R. S. Enterprises (Bangalore) Private Limited for the year ended March 31, 2023, is based solely on the reports of D.N Dokania & Associates, Chartered Accountants.
16. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports or examination reports issued by us or by other chartered accountants on any financial statements of the Company or any of the components included in the Proforma Financial Information (Refer paragraph 3 above).
17. We have no responsibility to update our report or reissue our report for events and circumstances occurring after the date of the report.

#### **Opinion**

18. In our opinion, the Proforma Financial Information has been compiled, in all material respects, on the basis of preparation as stated in Note 2 to the Proforma Financial Information.

#### **Restriction on use**

19. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the DRHP, prepared in connection with the proposed Initial Public

# MSKA & Associates

Chartered Accountants

Offering of Equity Shares of the Company, to be filed by the Company with the Securities and Exchange Board of India, National Stock Exchange of India Limited and BSE Limited in connection with the proposed Offer. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. The Proforma Financial Information is not a complete set of financial statements of the Group in accordance with the Indian Accounting Standards prescribed under section 133 of the Act, as applicable and is not intended to give a true and fair view of the Proforma Consolidated Balance Sheet and Proforma Consolidated Statement of Profit and Loss of the Group for the year ended March 31, 2023 in accordance with the Indian Accounting Standards prescribed under section 133 of the Act, as applicable. As a result, these unaudited Proforma Financial Information may not be suitable for any other purpose. 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 M S K A & Associates**  
**Chartered Accountants**  
ICAI Firm Registration No. 105047W

Vaijayantimala Belsare  
Partner  
Membership No.049902  
UDIN: 23049902BGXVQX8580  
Place: Mumbai  
Date: September 7, 2023

**Appendix I**

Details of entities for the years not audited by us and name of the other auditor for the respective year ended:

a) As of and for the year ended March 31, 2023-

S.no.	Name of Entity	Relationship	Auditor
1	Sri Rama Pharmaceutical Distributors Private Limited	Subsidiary	PR Reddy & Co.
2	Western Healthcare Solutions Private Limited	Subsidiary	Argee & Co
3	Chhabra Healthcare Solutions Private Limited	Subsidiary	Singh Chhabra & Co
4	Chethana Healthcare Solutions Private Limited	Subsidiary	M/s Joshi & Co
5	S.S. Pharma Traders Private Limited	Subsidiary	Pratap B.Seth & Co
6	Sundarlal Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
7	New Siva Agencies Private Limited	Subsidiary	Argee & Co
8	Saurashtra Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
9	New RRPD Pvt. Ltd	Subsidiary	Argee & Co
10	Sree Venkateshwara Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
11	SVS Lifesciences Private Limited	Subsidiary	Pratap B.Seth & Co
12	Swami Medisolutions Pvt Ltd	Subsidiary	Singh Chhabra & Co
13	Atreja Healthcare Solutions Private Limited	Subsidiary	Singh Chhabra & Co
14	CPD Pharma Private Limited	Subsidiary	Srinivasan Sundaram & Co.
15	Calcutta Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
16	Chethana Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
17	City Pharma Distributors Private Limited	Subsidiary	Argee & Co
18	Curever Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
19	Rimedio Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
20	Quomed Life Sciences Private Limited	Subsidiary	Pratap B.Seth & Co
21	Zenx Software Solutions Private Limited	Subsidiary	Pratap B.Seth & Co

b) As of and for the year ended March 31, 2022-

S.no.	Name of Entity	Relationship	Auditor
1	Chhabra Healthcare Solutions Private Limited	Subsidiary	Singh Chhabra & Co
2	Sundarlal Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
3	Chethana Healthcare Solutions Private Limited	Subsidiary	M/s Joshi & Co
4	Rada Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
5	Sesha Balajee Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
6	Chethana pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
7	Sree Venkateshwara Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
8	CPD Pharma Private Limited	Subsidiary	Srinivasan Sundaram & Co.
9	Calcutta Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
10	Curever Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
11	Rimedio Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
12	Quomed Life Sciences Private Limited	Subsidiary	Pratap B.Seth & Co
13	Atreja Healthcare Solutions Pvt Ltd	Subsidiary	Singh Chhabra & Co
14	Western Health Care Solutions Private Limited	Subsidiary	Agree & Co
15	City Pharma Distributors Private Limited	Subsidiary	Agree & Co
16	Zenex Software Solutions Private Limited	Subsidiary	Pratap B.Seth & Co
17	Swami Medisolutions Private Limited	Subsidiary	Singh Chhabra & Co
18	New RRPD Private Limited	Subsidiary	Agree & Co

19	New Siva Agencies Private Limited	Subsidiary	Agree & Co
20	Sri Parshva Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co

c) As of and for the year ended March 31, 2021-

S.no.	Name of Entity	Relationship	Auditor
1	G.S.Pharmaceutical Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
2	Getwell Medicare Solution Private Limited	Subsidiary	Agree & Co
3	Galaxystar Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
4	Chhabra Healthcare Solutions Private Limited	Subsidiary	Singh Chhabra & Co
5	Sundarlal Pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
6	Jaggi Enterprises Private Limited	Subsidiary	Pratap B.Seth & Co
7	Chethana Healthcare Solutions Private Limited	Subsidiary	M/s Joshi & Co
8	Vasavi Medicare Solutions Private Limited	Subsidiary	Pratap B.Seth & Co
9	SVMED Solutions Private Limited	Subsidiary	Pratap B.Seth & Co
10	Millennium Medisolutions Private Limited	Subsidiary	Arun K Gupta & Associates
11	Rada Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
12	Sesha Balajee Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
13	Barros Enterprises Private Limited	Subsidiary	Pratap B.Seth & Co
14	Chethana pharma Distributors Private Limited	Subsidiary	Pratap B.Seth & Co
15	Sree Venkateshwara Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
16	CPD Pharma Private Limited	Subsidiary	Srinivasan Sundaram & Co.
17	Calcutta Medisolutions Private Limited	Subsidiary	Pratap B.Seth & Co
18	Curever Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
19	Rimedio Pharma Private Limited	Subsidiary	Pratap B.Seth & Co
20	Quomed Life Sciences Private Limited	Subsidiary	Pratap B.Seth & Co

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Pro Forma Consolidated Balance sheet as at 31 March 2023

(₹ in Million, unless otherwise stated)

Particulars	Entero Group (Restated Consolidated) (Note 1 & 2)	Acquisitions		Pro Forma Adjustments (Note 4)	Entero Group Pro Forma Consolidated
		RS Enterprises (Carved out) (Note 3)	Dhanvantri (Carved Out) (Note 3)		
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	968.61	5.08	0.32	-	974.01
Goodwill	1,670.32	-	-	290.54	1,960.86
Other intangible assets	38.37	-	-	-	38.37
<b>Financial assets</b>					
Other Financial Assets	79.47	-	-	-	79.47
Deferred tax asset (net)	20.08	-	-	18.21	38.29
Non - Current tax assets (net)	78.72	-	-	-	78.72
<b>Total non-current assets</b>	<b>2,855.57</b>	<b>5.08</b>	<b>0.32</b>	<b>308.75</b>	<b>3,169.72</b>
<b>Current assets</b>					
Inventories	3,416.28	123.40	57.30	-	3,596.98
<b>Financial assets</b>					
Trade receivables	5,148.84	272.04	186.79	-	5,607.67
Cash and cash equivalents	253.62	-	-	-	253.62
Bank balances other than cash and cash equivalent	814.82	-	-	-	814.82
Loans	5.92	-	-	-	5.92
Other financial assets	14.06	-	-	-	14.06
Other current assets	578.16	-	-	-	578.16
<b>Total current assets</b>	<b>10,231.70</b>	<b>395.44</b>	<b>244.09</b>	<b>-</b>	<b>10,871.23</b>
<b>Total assets</b>	<b>13,087.27</b>	<b>400.52</b>	<b>244.41</b>	<b>308.75</b>	<b>14,040.95</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Equity share capital	41.12	-	-	301.52	342.64
Owner's net Interest	-	255.41	130.63	(386.04)	-
Instruments entirely equity in nature	6,636.14	-	-	-	6,636.14
Other equity	(726.99)	-	-	(22.31)	(749.30)
<b>Equity attributable to owners of the company</b>	<b>5,950.27</b>	<b>255.41</b>	<b>130.63</b>	<b>(106.83)</b>	<b>6,229.48</b>
<b>Non-Controlling Interests</b>	<b>26.34</b>	<b>-</b>	<b>-</b>	<b>21.69</b>	<b>48.03</b>
<b>Total equity</b>	<b>5,976.61</b>	<b>255.41</b>	<b>130.63</b>	<b>(85.14)</b>	<b>6,277.51</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
<b>Financial liabilities</b>					
Borrowings	310.67	-	-	-	310.67
Lease Liabilities	499.68	-	-	-	499.68
Provisions	54.03	-	-	-	54.03
Deferred tax Liability (net)	6.72	-	-	-	6.72
<b>Total non-current liabilities</b>	<b>871.10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>871.10</b>
<b>Current liabilities</b>					
<b>Financial liabilities</b>					
Borrowings	3,424.48	-	-	301.53	3,726.01
Lease Liabilities	134.76	-	-	-	134.76
Trade payables					
i) total outstanding dues of micro enterprises and small enterprises	44.01	-	-	-	44.01
ii) total outstanding dues of creditors other than micro enterprise and small enterprise	2,060.99	131.64	113.78	-	2,306.41
Other financial liabilities	309.48	-	-	30.15	339.63
Other current liabilities	201.55	-	-	-	201.55
Provisions	46.47	13.47	-	70.05	129.99
Current tax liabilities (net)	17.82	-	-	(7.84)	9.98
<b>Total current liabilities</b>	<b>6,239.56</b>	<b>145.11</b>	<b>113.78</b>	<b>393.89</b>	<b>6,892.34</b>
<b>Total liabilities</b>	<b>7,110.66</b>	<b>145.11</b>	<b>113.78</b>	<b>393.89</b>	<b>7,763.44</b>
<b>Total equity and liabilities</b>	<b>13,087.27</b>	<b>400.52</b>	<b>244.41</b>	<b>308.75</b>	<b>14,040.95</b>

The accompanying notes form integral part of the pro-forma consolidated financial information

For M S K A & Associates  
Chartered Accountants  
Firm Registration No.:105047W

For and on behalf of the Board of Directors  
Entero Healthcare Solutions Limited  
(formerly known as Entero Healthcare Solutions Private Limited)  
CIN: U74999HR2018PLC072204

Vaijayantimala Belsare  
Partner  
Membership No: 049902  
Place: Mumbai  
Date: September 7, 2023

Prabhat Agrawal  
Managing Director  
DIN: 07466382  
Place: Mumbai  
Date: September 7, 2023

Prem Sethi  
Director  
DIN: 07077034

CV Ram  
Chief Financial Officer  
M.N 206013

Jayant Prakash  
Company Secretary  
M.N.:FC5-6742

**Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)**

**Pro Forma Consolidated Statement of Profit and Loss for the year ended 31 March 2023**

(₹ in million, unless otherwise stated)

Particulars	Entero Group (Restated Consolidated) (Note 1 & 2)	Acquisitions		Pro Forma Adjustments (Note 4)	Entero Group Pro Forma Consolidated
		RS Enterprises (Carved out) (Note 3)	Dhanvantri (Carved Out) (Note 3)		
<b>Income</b>					
Revenue from operations	33,002.07	1,079.08	1,229.24	-	35,310.39
Other income	55.14	0.19	0.05	-	55.38
<b>Total income</b>	<b>33,057.21</b>	<b>1,079.27</b>	<b>1,229.29</b>	<b>-</b>	<b>35,365.77</b>
<b>Expenses</b>					
Purchase of Stock-in-trade	30,512.60	950.18	1,125.03	-	32,587.81
Changes in inventories of Stock-in-trade	(193.95)	(0.23)	(6.43)	-	(200.61)
Employee benefits expense	1,281.40	50.59	17.90	-	1,349.89
Finance costs	489.72	0.42	0.48	30.15	520.77
Depreciation and amortization expense	242.37	1.31	0.18	-	243.86
Other expenses	761.95	23.68	42.65	-	828.28
<b>Total expenses</b>	<b>33,094.09</b>	<b>1,025.95</b>	<b>1,179.81</b>	<b>30.15</b>	<b>35,330.00</b>
<b>Profit before tax</b>	<b>(36.88)</b>	<b>53.32</b>	<b>49.48</b>	<b>(30.15)</b>	<b>35.77</b>
<b>Tax expenses/ (credit)</b>					
Current tax	99.65	13.47	12.45	(7.84)	117.73
Deferred tax	(25.49)	-	-	-	(25.49)
<b>Total income tax expense</b>	<b>74.16</b>	<b>13.47</b>	<b>12.45</b>	<b>(7.84)</b>	<b>92.24</b>
<b>Profit for the year</b>	<b>(111.04)</b>	<b>39.85</b>	<b>37.03</b>	<b>(22.31)</b>	<b>(56.47)</b>
<b>Other comprehensive Income/ (Loss)</b>					
<i>Items that will not be reclassified to profit or loss</i>					
Remeasurement loss on defined benefit plan	8.11	-	-	-	8.11
Income tax effect	(1.48)	-	-	-	(1.48)
<b>Total</b>	<b>6.63</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6.63</b>
<i>Items that will be reclassified to profit or loss</i>					
	-	-	-	-	-
<b>Other comprehensive income for the year, net of tax</b>	<b>6.63</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6.63</b>
<b>Total comprehensive income for the year</b>	<b>(104.41)</b>	<b>39.85</b>	<b>37.03</b>	<b>(22.31)</b>	<b>(49.84)</b>
<b>Profit attributable to</b>					
Owners of the Company	(115.57)	39.85	29.62	(22.31)	(68.41)
Non-Controlling Interest	4.53	-	7.41	-	11.94
	<b>(111.04)</b>	<b>39.85</b>	<b>37.03</b>	<b>(22.31)</b>	<b>(56.47)</b>
<b>Total comprehensive income attributable to</b>					
Owners of the Company	(109.00)	39.85	29.62	(22.31)	(61.85)
Non-Controlling Interest	4.59	-	7.41	-	12.00
	<b>(104.41)</b>	<b>39.85</b>	<b>37.03</b>	<b>(22.31)</b>	<b>(49.84)</b>
<b>Earnings per share</b>					
Basic (INR)	(3.10)				(1.83)
Diluted (INR)	(3.10)				(1.83)

The accompanying notes form integral part of the pro-forma consolidated financial information

**For M S K A & Associates**  
Chartered Accountants  
Firm Registration No.:105047W

For and on behalf of the Board of Directors  
**Entero Healthcare Solutions Limited**  
(formerly known as Entero Healthcare Solutions Private Limited)  
CIN: U74999HR2018PLC072204

**Vaijayantimala Belsare**  
Partner  
Membership No: 049902  
Place: Mumbai  
Date: September 7, 2023

**Prabhat Agrawal**  
Managing Director  
DIN: 07466382  
Place: Mumbai  
Date: September 7, 2023

**Prem Sethi**  
Director  
DIN: 07077034

**CV Ram**  
Chief Financial Officer  
M.N 206013

**Jayant Prakash**  
Company Secretary  
M.N.:FCS-6742

## Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

### Notes to Pro Forma Consolidated Financial Information

(₹ in million, unless otherwise stated)

#### **1. Background**

On 28 June 2023, ("the Effective Date"), the group has entered into a definitive agreement for acquisition of the entire trading of pharma products business of RS Enterprises (Bangalore) Private Limited ("RS Enterprises") as a part of slump sale transaction at INR 278.75 million. The acquisition has been accounted for as a business combination using the acquisition method of accounting under Ind AS 103 Business Combinations with the Effective date being acquisition date.

On 04 August 2023, ("the Effective Date"), the group has entered into a binding Memorandum of Understanding (MoU) for acquisition of 80% stake of the Dhanvanthri Speciality Pharma Private Limited ("Dhanvantri") as a part of slump sale transaction at INR 324.8 million. The acquisition has been accounted for as a business combination using the acquisition method of accounting under Ind AS 103 Business Combinations with the Effective date being acquisition date.

Basis above, RS Enterprises and Dhanvantri have been determined to be an accounting acquiree and Entero Healthcare as the accounting acquirer. As of the acquisition date, the Company recorded the identified assets acquired and liabilities assumed at their respective fair values. Upon consummation of the acquisition, the carved out historical financial statements of RS Enterprises became the carved out historical financial statements of the Company.

The details of acquisition are set out in Note 3.

#### **2. Basis of preparation**

The pro-forma consolidated financial information of the Entero Group comprising of the Pro forma consolidated balance-sheet as at 31 March 2023, Pro forma consolidated statement of profit and loss for the year ended 31 March 2023, read with notes to the pro-forma consolidated financial information is (hereinafter referred to as the 'pro-forma consolidated financial information'), is prepared to reflect the acquisition of RS Enterprises and Dhanvantri. The pro forma consolidated financial information has been prepared pursuant to the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations") for the purposes of inclusion in the Draft Red Herring Prospectus ('DRHP').

The pro forma consolidated balance sheet as at 31 March 2023 has been prepared, as if acquisitions have taken place as on 31 March 2023.

The pro forma consolidated profit and loss for the year ended 31 March 2023, as if acquisition have taken place on 01 April 2022.

Because of their nature, the pro forma consolidated financial information addresses a theoretical situation and therefore, does not represent Entero Group's factual financial results. They purport to indicate the results that would have resulted had the acquisition been completed at the dates mentioned above, but are not intended to be indicative of expected results or operations in the future periods of the Group.

In addition, the rules and regulations related to the preparation of pro forma consolidated financial information in other jurisdictions may also vary significantly from the basis of preparation as set out in paragraphs below. Accordingly, the degree of reliance placed by investors in other jurisdictions on such pro forma information should be limited.

The pro forma financial information for the periods presented has been prepared by combining the following financial information prepared as per Ind AS and after making the adjustments as detailed in the following section "Pro forma adjustments" –

- (a) the restated consolidated financial information of Entero Group as at and for the year ended 31 March, 2023, (included elsewhere in the DRHP);
- (b) the audited carved out standalone financial statements of RS Enterprises as at and for the year ended 31 March 2023;
- (c) the audited carved out standalone financial statements of Dhanvantri as at and for the year ended 31 March 2023;

Accordingly, the various columns in the pro forma consolidated financial information, for the periods presented, represent as below:

- (i) Column A represents restated consolidated financial information of the Entero Group as included elsewhere in the DRHP;
- (ii) Columns represented by "Acquisitions" reflect historical financial information of RS Enterprises and Dhanvantri for the respective periods as stated in the paragraph above;
- (iii) Columns represented by "Adjustments" reflect impact of adjustments arising out of acquisition, reclassification adjustments, if any and intercompany eliminations as described in Note 4 below.

The pro forma adjustments are based upon available information and assumptions that the management of the Company believes to be reasonable. The pro forma adjustments are included only to the extent they are (i) directly attributable to the acquisition and (ii) factually supportable. The adjustments do not consider any expected cost savings or potential synergies that may result from the acquisition.



**Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)**

**Notes to Pro Forma Consolidated Financial Information**

(₹ in million, unless otherwise stated)

The Restated Consolidated Financial Information of Entero Group have been prepared by the management from the audited consolidated financial statements of the Entero Group which is prepared in accordance with Indian Accounting Standard (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other relevant provisions of the Act. The pro forma consolidated financial information has been compiled in a manner consistent with the accounting policies adopted by Entero Group in its restated consolidated financial information for the year ended 31 March 2023.

The carved out standalone special purpose financial statements of RS Enterprises and Dhanvantri, as referred above, have been prepared to enable Entero Group to prepare pro forma consolidated financial information.

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**Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)**

**Notes to Pro Forma Consolidated Financial Information**

(₹ in million, unless otherwise stated)

**Note 3: Acquisition Details**

(a) Acquisition of RS Enterprises (Bangalore) Private Limited ("RS Enterprises")

On 28 June 2023, the group has entered into a definitive agreement for acquisition of the entire trading of pharma products business of RS Enterprises (Bangalore) Private Limited. Pursuant to the definitive agreement, the aforesaid business will be transferred to the Group as a going concern on a slump sale basis for a total cash consideration of INR 278.75 million. The acquisition is proposed to be funded through the short term loans from banks at the interest rate of 13.00% p.a. and balance through the issue of fresh equity shares. The transaction is accounted as per acquisition method of business combination under Ind AS 103.

The actual value of net assets and consequential goodwill shall be determined and recorded on the date of closing.

The acquisition is in line with the Company's strategy to consolidate its position in Bangalore market.

(b) Acquisition of Dhanvanthri Speciality Pharma Private Limited ("Dhanvantri")

On 04 August 2023, the group has entered into a binding Memorandum of Understanding (MoU) for acquisition of 80% of trading of pharma products business of Dhanvanthri Speciality Pharma Private Limited. Pursuant to this MoU, the aforesaid business will be transferred to the group as a going concern on a slump sale basis for a total cash consideration of INR 324.80 million. The acquisition is proposed to be funded through the short term loans from banks at the interest rate of 13.00% p.a. and balance through the issue of fresh equity shares. The transaction is accounted as per acquisition method of business combination under Ind AS 103.

The actual value of net assets and consequential goodwill shall be determined and recorded on the date of closing.

The acquisition is in line with the Company's strategy to consolidate its position in Bangalore market.

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Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Notes to Pro Forma Consolidated Financial Information

(₹ in million, unless otherwise stated)

**Note 4: Pro forma adjustments**

**(A) Adjustments to Pro forma Consolidated Balance-sheet as at 31 March 2023**

**a) Preliminary purchase price allocation**

The following table presents the pro forma adjustments to the balance-sheet as at 31 March 2023 with respect to allocation of purchase price for the assets acquired and liabilities assumed of each of the acquired entities and the resultant goodwill, if any, as if the acquisition occurred on 31 March 2023.

Description	Acquisition Adjustments		Total
	RS Enterprises	Dhanvantri	
<b>Purchase Consideration (i)</b>	<b>278.25</b>	<b>324.80</b>	<b>603.05</b>
<b>Assets acquired and liabilities assumed</b>			
<b>Assets</b>			
Property, plant and Equipments	5.08	0.32	5.40
Inventories	123.40	57.30	180.70
Trade Receivables	272.04	186.79	458.83
DTA on additional Provision	10.41	7.80	18.21
<b>Total Assets[A]</b>	<b>410.93</b>	<b>252.21</b>	<b>663.14</b>
<b>Liabilities</b>			
Trade Payables	131.64	113.78	245.42
Provisions	53.52	30.00	83.52
Other Financial Liabilities	-	-	-
<b>Total Liabilities[B]</b>	<b>185.16</b>	<b>143.78</b>	<b>328.94</b>
<b>Net assets acquired [A-B] (ii)</b>	<b>225.77</b>	<b>108.43</b>	<b>334.20</b>
<b>Proportionate Share of Net Assets of Dhanvantri @ 20% (iii)</b>	<b>-</b>	<b>21.69</b>	<b>21.69</b>
<b>Goodwill on Acquisition(i-ii+iii)</b>	<b>52.48</b>	<b>238.06</b>	<b>290.54</b>

The purchase consideration has been funded through following source:

Description	RS Enterprises	Dhanvantri	Total
Current borrowings	139.13	162.40	301.53
Equity Shares	139.12	162.40	301.52
<b>Total</b>	<b>278.25</b>	<b>324.80</b>	<b>603.05</b>

**b) Impact of Equity**

The following tables summarizes impact of acquisitions on equity:

Description	Acquisition Adjustments		Total
	RS Enterprises	Dhanvantri	
<b>i) Equity Share Capital</b>			
Elimination of historical equity balances	(255.41)	(130.63)	(386.04)
Issue of fresh equity	139.12	162.40	301.52
<b>Net Impact on Equity Share Capital (A)</b>	<b>(116.29)</b>	<b>31.77</b>	<b>(84.52)</b>
<b>ii) Other Equity</b>			
Elimination of historical equity balances (reserves and surplus)	-	-	-
Interest Accrued on Short term Borrowing	(9.04)	(21.11)	(30.15)
Less: Current tax expense reversed on account of finance cost	2.35	5.49	7.84
<b>Net impact to reserves and surplus (B)</b>	<b>(6.69)</b>	<b>(15.62)</b>	<b>(22.31)</b>
<b>Net impact to Non-Controlling Interest (C)</b>	<b>-</b>	<b>21.69</b>	<b>21.69</b>
<b>Proforma Adjustments to Equity (A+B+C)</b>	<b>(122.98)</b>	<b>37.84</b>	<b>(85.14)</b>

**c) Pro forma adjustments to Deferred taxes**

Description	As at 31st March 2023
<b>Deferred Tax Assets</b>	
DTA recognised on additional provisions for acquisition of RS Enterprises	10.41
DTA recognised on additional provisions for acquisition of Dhanvantri	7.80
<b>Total</b>	<b>18.21</b>

Entero Healthcare Solutions Limited (formerly known as Entero Healthcare Solutions Private Limited)

Notes to Pro Forma Consolidated Financial Information

(₹ in million, unless otherwise stated)

**d) Pro forma adjustments to borrowings**

Description	As at 31st March 2023
<b>Current Borrowings</b>	
Short-term borrowings for acquisition of RS Enterprises	139.13
Short-term borrowings for acquisition of Dhanvantri	162.40
<b>Total</b>	<b>301.53</b>

**e) Pro forma adjustments to other financial liabilities**

Description	As at 31st March 2023
<b>Current</b>	
Interest accrued on Borrowings on acquisition of RS Enterprises	9.04
Interest accrued on Borrowings on acquisition of Dhanvantri	21.11
<b>Total</b>	<b>30.15</b>

**f) Pro forma adjustments to Current tax Liabilities**

Description	As at 31st March 2023
Reversal of current tax liabilities	(7.84)
<b>Total</b>	<b>(7.84)</b>

**g) Pro forma adjustments to Short term Provisions**

Description	As at 31st March 2023
<b>Current</b>	
Additional Provisions recorded on acquisition of RS Enterprises	40.05
Additional Provisions recorded on acquisition of Dhanvantri	30.00
<b>Total</b>	<b>70.05</b>

**(B) Adjustments to Pro forma Consolidated Statement of Profit and Loss**

**a) Finance Cost**

Description	For the year ended March 31, 2023
Interest expense pertaining to borrowings availed to fund acquisition through effective interest rate method	30.15
<b>Total</b>	<b>30.15</b>

**b) Tax impact of pro forma adjustments**

Adjustment to record the current tax impact of the pro forma adjustment relating to finance cost. The income tax expense was determined by applying the an estimated statutory tax rate of 26.00% to the [re-tax amount of the acquisition related pro forma adjustments.

The following table present the summary of pro forma adjustment to Tax expenses for the period ended 31 March 2023:

Description	For the year ended March 31, 2023
Reversal of current tax expense on finance cost	(7.84)
<b>Total</b>	<b>(7.84)</b>

**(C) Profit per Share**

The pro forma Basic and diluted loss per share for the year ended 31 March 2023, are calculated as follows (in millions, except per share data)

Description	For the year ended March 31, 2023
Profit attributable to the equity holders of the Company (A) (INR)	(68.41)
Weighted Average number of shares issued for Basic EPS (B)	3,73,24,429
Adjustment for calculation of Diluted EPS ( C )	-
Weighted Average number of shares issued for Diluted EPS (D= B+C)	3,73,24,429
<b>Basic and diluted EPS in INR</b>	<b>(1.83)</b>

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

*You should read the following discussion in conjunction with the Restated Consolidated Financial Information. The Restated Consolidated Financial Information have been prepared in accordance with Ind AS. Ind AS differs in certain material respects from IFRS and US GAAP. For more information, see “Risk Factors –Internal Risks–Risks relating to our Business - The significant differences between the Indian Accounting Standards (Ind AS) used to prepare our financial information and other accounting principles, such as the United States Generally Accepted Accounting Principles (U.S. GAAP) and the International Financial Reporting Standards (IFRS), may affect investors’ assessments of our Company’s financial condition.” on page 63.*

*Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12-month period ended March 31 of that year.*

*This Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to the considerations described below. For details, see “Forward-Looking Statements” beginning on page 24.*

*Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance have been included in this section and elsewhere in this Prospectus. Such non-GAAP financial measures should be read together with the nearest GAAP measure. See “Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Financial and Other Data – Non-GAAP financial measures” on page 21.*

*The industry-related information contained in this section is derived from the industry report titled “Assessment of the pharmaceutical and pharmaceutical delivery industry in India” dated November 2023 (the “CRISIL Report”) prepared by CRISIL . We have commissioned and paid for the CRISIL Report for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. We officially engaged CRISIL in connection with the preparation of the CRISIL Report pursuant to an engagement letter dated June 28, 2023. A copy of the CRISIL Report shall be available on the website of our Company at <https://www.enterohealthcare.com/investor/initial-public-offer/industry-report.php>. Unless otherwise indicated, the industry-related information contained in this section is derived from the CRISIL Report (extracts of which have been appropriately incorporated as part of “Industry Overview” beginning on page 145).*

### Overview

We are amongst the top three healthcare products distributors in India in terms of revenue in Financial Year 2022, and reported an operating income of ₹25,220.65 million in Financial Year 2022 (Source: CRISIL Report). Further, we also achieved the fastest scale-up of operations among healthcare products distributors in India (between Financial Year 2019 to Financial Year 2022), and reached ₹25,000 million of operating income within four years of operations (Source: CRISIL Report).

Our Company was founded in 2018 by Prabhat Agrawal, our Promoter, Managing Director and Chief Executive Officer, and Prem Sethi, our Promoter, Whole-time Director and Chief Operating Officer, with the vision to create an organized, pan-India, technology driven and integrated healthcare products distribution platform that can add value to the entire healthcare ecosystem. We add value to the healthcare product manufacturers that work with us by providing them reach and accessibility to pharmacies, hospitals and clinics through our integrated and technology driven, pan-India healthcare products distribution platform. As of September 30, 2023, our 77 warehouses located across the country, last-mile delivery infrastructure and relationships with pharmacies, hospitals and clinics enables healthcare product manufacturers to make their products available to a wide range of customers. Similarly, the pharmacies, hospitals and clinics that we service get access to a wide range of healthcare products through our distribution infrastructure and our healthcare product manufacturer relationships. During the Financial Years 2021, 2022 and 2023, and the six months ended September 30, 2022 and 2023, we catered to over 39,500, 64,200, 81,400, 65,000 and 73,700 retail customers, respectively, and over 1,600, 2,500, 3,400, 2,400 and 2,800 hospital customers, respectively. Further, as of September 30, 2023, we have supply relationships with over 1,900 healthcare product manufacturers that gives us access to over 63,900 product stock-keeping units (“SKUs”).

We seek to provide service and value in the following ways:

***Benefits to healthcare product manufacturers:***

- *Access to large number of pharmacies, hospitals and clinics throughout the country through a single distributor platform*

According to the CRISIL Report, the distribution of pharmaceutical products in India is extremely fragmented with approximately 65,000 distributors, as of March 31, 2023, that generally service limited local areas only, unlike developed markets where large nationwide distributors occupy a dominant market position. Manufacturers, as well as retail pharmacies, may prefer lower number of distributors for better supply chain operational efficiencies along with reduced complexities (*Source: CRISIL Report*). The operational efficiencies can be achieved through reduced logistics costs as a result of streamlined procurement and distribution as provided by large/national distributors (*Source: CRISIL Report*). Other benefits of large/national distributors to pharmaceutical and healthcare product manufacturers/marketers include (i) better customer and geographical reach for engagement in a fragmented retail space through a large and tech-enabled channel partner, and (ii) efficient inventory management, leading to lower prescription bounce rates and expiries (*Source: CRISIL Report*). We are also among the top three healthcare products distributor in India to have a wide network reach with retail pharmacies in India, and catered to over 39,500, 64,200, 81,400, 65,000 and 73,700 retail pharmacies in Financial Years 2021, 2022 and 2023, and the six months ended September 30, 2022 and 2023, respectively (*Source: CRISIL Report*). In addition, we have the largest hospital customer network among pharmaceutical products distributor in India, and catered to over 1,600, 2,500, 3,400, 2,400 and 2,800 hospital customers in Financial Years 2021, 2022 and 2023, and the six months ended September 30, 2022 and 2023, respectively. (*Source: CRISIL Report*)

With our nationwide presence of 77 distribution warehouses located across 38 cities in 19 states and union territories, and a customer base of over 73,700 pharmacies and 2,800 hospitals spread across 501 districts, as of September 30, 2023, we provide vast access to healthcare product manufacturers.

- *Availability of a nationwide healthcare products distribution platform in compliance with relevant regulations for setting up our warehouses, and logistics services*

According to the CRISIL Report, pharmaceutical products and devices, including life-saving medicines require special storage, transportation and handling, to ensure product quality. Due to the current fragmented nature of the supply chain in India, scaled up, compliant and efficient warehousing and logistics remains a challenge.

As of September 30, 2023, we have 464,112 square feet of warehousing space with temperature monitoring systems and modern storage solutions for optimal storage of healthcare products. Our warehouses are staffed with trained manpower to ensure adherence to temperature requirements as per the storage instructions of manufacturers. We are in compliance with the relevant regulations for setting up our warehouses. All of our warehouses that store products governed by the Drugs and Cosmetics Act, 1940 and the rules thereunder, also have the required drug licenses issued by the relevant regulatory authority. These drug licenses are periodically renewed based on the relevant regulatory authority's inspections and satisfaction with our level of regulatory compliance.

- *Integrated systems and technologies to offer data intelligence and analytics*

We provide micro level sales and inventory data to healthcare product manufacturers. Our technology backed data intelligence, insights and analytics can be used by healthcare product manufacturers for sales, marketing and sales force effectiveness improvement related initiatives, identification of key opportunity areas, understanding customer preferences, demand-supply dynamics and product sales trends.

- *Comprehensive end-to-end healthcare products distribution solutions combined with marketing and promotion capabilities*

We offer both demand generation and demand fulfilment solutions to healthcare product manufacturers. We offer demand generation solutions to healthcare product manufacturers by promoting and creating awareness of their product brands to healthcare professionals, doctors and channels such as pharmacies, hospitals (both private and government), clinics and customers through e-commerce marketplaces. For example, we have entered into an

agreement with Roche Products (India) Private Limited for the promotion, marketing and distribution of its four nephrology drugs in India. Further, we provide end-to-end healthcare products distribution solutions including imports, central warehousing, redistribution, last mile delivery and connection with the pharmacies, hospitals and clinics. Our demand generation and demand fulfilment solutions are integrated across the value chain and we benefit from synergies arising from our wide customer network, distribution infrastructure and geographic reach.

### ***Benefits to pharmacies, hospitals and clinics***

- *One stop solution for procurement needs*

The multiple distributors traditionally used by pharmacies, hospitals and clinics in India have varied levels of product availability, fulfilment rates and service reliability, which can lead to loss of sales and higher costs of procurement. (Source: CRISIL Report)

Our scale of operations allows us to procure products at competitive prices and have a wide product range with adequate inventory levels. We also provide a diverse spectrum of healthcare products, including pharmaceutical products, nutraceuticals, medical devices, surgical consumables, over-the-counter medicines and vaccines, which enables us to become a one stop shop for our customer's healthcare product needs. Accordingly, we aim to provide high fill rates to our customers, which in turn enables them to provide high fill rates to end consumers. We also aim to provide low turnaround time to our customers. Our ability to provide high fill rates and low turnaround time to our customers is crucial to optimize their inventory level, and to reduce their loss of sales due to stock-outs. According to the CRISIL Report, with the emergence of large / national distributors, retail pharmacies and hospitals are expected to benefit from better inventory management, high fill rates, reliable service levels and digital ordering experience provided by large / national distributors. Further, we provide cold chain logistics, which is the safe transport of temperature-sensitive goods and products along the supply chain, by utilising our warehouses with temperature monitoring systems and modern storage solutions, which are staffed with trained manpower to ensure adherence to temperature requirements as per the storage instructions of manufacturers.

- *Better retail experience through technology-based solutions such as direct B2B applications and web platforms*

We leverage technology to provide a positive buying experience through our digital solutions such as the Entero Direct B2B application ("**Entero Direct**"), where customers have real-time visibility of our product range, pricing, inventory levels, order status, outstanding balances, promotional offers. Entero Direct can be used for order management 24 hours a day, seven days a week. Through Entero Direct, pharmacies are able to place orders with us, track the status of their orders, make online payments and arrange for returns and claim settlements by means of an integrated 'single-click' system. Further, healthcare product manufacturers can use the Entero Direct platform to display their products and run promotional offers to promote their brands. As of September 30, 2023, Entero Direct had over 7,700 active users, with sales on Entero Direct aggregating to ₹2,571.88 million for the six months ended September 30, 2023.

Apart from Entero Direct, our ERP systems are also integrated with our other ordering B2B applications, thereby providing our customers with a wide range of options for seamless order management. For details, see "***Our Business – Description of our Business – Technology***" on page 194.

Further, with the data collected from our large base of pharmacy, hospital and clinic customers, our business intelligence tools assist healthcare product manufacturers with their operations, including product placement and launches, channel marketing opportunities and sales force management. Through such data-based tools, we are able to gain insights into procurement trends and carry out data-based forecasting of stock demand, thereby ensuring better fill rates and inventory management.

Our business operations are led by an experienced and driven team, comprised of professionals with experience in the healthcare and pharmaceutical industries. Our co-founder, Promoter, Managing Director and Chief Executive Officer, Prabhat Agrawal, and our co-founder, Promoter, Whole-time Director and Chief Operating Officer, Prem Sethi, both with extensive experience in our industry, play instrumental roles in the strategic direction and growth of our business. Our Company's shareholders include OrbiMed Asia III Mauritius Limited, a healthcare-focused fund, which has provided us continuous support through our growth in business.

We have grown our business through both organic and inorganic means (i.e. through acquisition of distributors).

As part of our inorganic growth strategy, we have endeavoured to take advantage of the market consolidation opportunities available in the Indian healthcare products distribution market. Accordingly, we have adopted a pan-India approach towards acquiring and integrating smaller distributors to expand our geographic reach and increase the wallet share from our customers. Since our inception in the Financial Year 2018, we have acquired 34 entities in the healthcare products distribution industry.

Subsequent to the completion of an acquisition, we deploy our growth strategies such as product portfolio expansion, increased customer reach, improved service levels, and technology-based solutions to increase our market share. Given our track record in acquiring and integrating smaller distributors across India, we have been able to continuously attract distributors to become acquired by and integrated with us. Post such integration, we derive synergies from the acquisition, which helps in the overall growth of our business. Our Subsidiaries purchase pharmaceutical / healthcare products from product manufacturers or their appointed CFAs and sell the products to the pharmacies and hospitals in their respective local markets. Our Subsidiaries benefit from our technology infrastructure, manufacturer relationships, central procurement support and banking relationships. This helps the Subsidiaries to grow their business and increase their market share in their respective local markets. Further, we also engage in the marketing of third-party brands and sale of our private label brands at a national level (a part of such sales is to our Subsidiaries and inter-company revenues are eliminated at a consolidated level).

The following table sets forth details relating to revenue from our Subsidiaries, for the periods/years indicated:

Particulars	For the six months ended September 30,		For the year ended March 31,		
	2023	2022	2023	2022	2021
Revenue from our Company (₹ in millions)	1,350.14	725.13	1,776.90	1,372.86	1,048.68
Revenue from our Subsidiaries (₹ in millions)	19,261.35	15,771.13	32,699.28	25,098.13	17,983.48
<b>Total revenue from our Company and Subsidiaries (pre-elimination) (₹ in millions)</b>	<b>20,611.48</b>	<b>16,496.27</b>	<b>34,476.18</b>	<b>26,470.99</b>	<b>19,032.15</b>
Intra-group transactions* (₹ in millions)	(1,656.47)	(656.59)	(1,474.11)	(1,250.33)	(1,234.78)
<b>Revenue from operations (₹ in millions)</b>	<b>18,955.01</b>	<b>15,839.68</b>	<b>33,002.07</b>	<b>25,220.65</b>	<b>17,797.37</b>
<b>Revenue from our Subsidiaries as a percentage of revenue from operations (₹ in millions)</b>	<b>93.45%</b>	<b>95.60%</b>	<b>94.85%</b>	<b>94.81%</b>	<b>94.49%</b>

\*Intra-group transactions include eliminations of intra-group transactions and pre-acquisition revenues.

A list of operating and financial metrics as at / for the Financial Years ended March 31, 2021, 2022 and 2023, and the six months ended September 30, 2022 and 2023 is set out below:



Metric	Unit	As at / For the six months ended September 30,		As at / For the Financial Year ended March 31,		
		2023	2022	2023	2022	2021
Customers (Retail) <sup>(1)</sup>	(Number)	73,700+	65,000+	81,400+	64,200+	39,500+
Customers (Hospital) <sup>(2)</sup>	(Number)	2,800+	2,400+	3,400+	2,500+	1,600+
SKUs handled <sup>(3)</sup>	(Number)	63,900+	59,000+	64,500+	56,500+	44,400+
Pharmaceutical and healthcare companies whose products have been billed <sup>(4)</sup>	(Number)	1,900+	1,700+	1,900+	1,700+	1,100+
Districts covered <sup>(5)</sup>	(Number)	501	471	495	463	420
Warehouses <sup>(6)</sup>	(Number)	77	71	74	60	44
Warehouse Area <sup>(7)</sup>	(Square feet)	464,112	433,238	430,556	408,924	312,783
Employees <sup>(8)</sup>	(Number)	3,181	3,018	3,041	2,875	2,141
Average Sales per Month per Customer <sup>(9)</sup>	(₹)	37,532	36,889	30,143	29,213	32,801
Revenue Growth <sup>(10)</sup>	(%)	19.67%	NA	30.85%	41.71%	31.87%
Gross Profit <sup>(11)</sup>	(₹ in million)	1,691.57	1,286.76	2,683.42	2,096.28	1,415.97
Gross Profit Margin <sup>(12)</sup>	(%)	8.92%	8.12%	8.13%	8.31%	7.96%
EBITDA <sup>(13)</sup>	(₹ in million)	543.66	250.28	640.07	244.38	215.45
EBITDA Margin <sup>(14)</sup>	(%)	2.87%	1.58%	1.94%	0.97%	1.21%
Unit EBITDA Margin <sup>(15)</sup>	(%)	4.09%	3.78%	3.74%	3.72%	3.46%
Restated Profit for the Period/Year <sup>(16)</sup>	(₹ in million)	116.42	(108.57)	(111.04)	(294.39)	(153.54)
Profit after Tax Margin <sup>(17)</sup>	(%)	0.61%	(0.69)%	(0.34)%	(1.17)%	(0.86)%
Net Working Capital Days <sup>(18)</sup>	(Number)	67	64	63	69	74
ROCE <sup>(19)</sup>	(%)	5.17% <sup>(21)</sup>	2.13% <sup>(21)</sup>	6.05%	1.49%	1.88%
ROE <sup>(20)</sup>	(%)	2.54% <sup>(21)</sup>	(2.61)% <sup>(21)</sup>	(2.66)%	(7.35)%	(4.23)%

Notes:

- (1) Customers (Retail) refer to the number of “trade”, “retail” or “healthcare practitioners” customers with one or more billed invoice during the period.
- (2) Customers (Hospital) refer to the number of “hospitals” or “nursing homes” customers with one or more billed invoice during the period.
- (3) SKUs handled refer to the number of unique SKUs that have been billed by us during the period. Examples of SKUs include pharmaceutical SKUs, fast moving consumer goods SKUs and surgicals / consumables SKUs.
- (4) Pharmaceutical and healthcare companies whose products have been billed refers to the number of pharmaceutical and healthcare companies whose products were billed by us during the period.
- (5) Districts refer to the number of districts where one or more customers have been billed during the period. Districts are mapped based on the pincode mentioned in the customer’s address field.
- (6) Warehouses refer to the number of active warehouses (with a unique drug license) with one or more products billed from that warehouse.
- (7) Warehouse area refers to the total square footage of area across all our active warehouses.
- (8) Employees refer to the number of employees that are on our Company or our Subsidiaries’ payroll as on March 31 of the respective Fiscal.
- (9) Average sales per month per customer refers to the Restated revenue from operations for the period/year divided by 6/12 and total number of customers.
- (10) Revenue growth is calculated as growth in revenue for the relevant period/year as compared to the corresponding previous period/year.
- (11) Gross profit is calculated as revenue from operations reduced by purchase of stock-in-trade and changes in inventories of stock-in-trade.
- (12) Gross profit margin is calculated as gross profit divided by revenue from operations.
- (13) EBITDA is calculated as revenue from operations reduced by purchase of stock-in-trade and changes in inventories of stock-in-trade, employee benefit expense and other expenses.

- (14) EBITDA margin is calculated as EBITDA divided by revenue from operations.
- (15) Unit EBITDA Margin refers to the consolidated EBITDA % of individual standalone distributor entities.
- (16) Restated profit for the year is calculated as Total income reduced by Total expenses and Total tax expenses.
- (17) Profit after tax margin is calculated as Restated profit after tax divided by Total income.
- (18) Net working capital days is calculated by net working capital (which is calculated as current asset (excluding cash/bank or cash equivalents) reduced by current liabilities (excluding short term borrowings)) represented in days sales (grossed up for taxes) during the period. The net working capital days for the six months ended September 30, 2023 and 2022 are annualized figures.
- (19) ROCE is calculated as EBIT (which represents the sum of profit before tax and Interest expenses) divided by average capital employed (calculated as the sum of opening capital employed and closing capital employed, and then divided by two) during the period. Capital employed is calculated as the sum of tangible net worth, borrowings and deferred tax liability. Tangible net worth is the sum of total equity (including Non-controlling interest) reduced by goodwill, other intangible assets and intangible assets under development.
- (20) ROE is calculated as Restated profit after tax divided by Average Tangible Net Worth. Tangible net worth is the sum of total equity (including Non-controlling interest) reduced by goodwill, other intangible assets and intangible assets under development. Average tangible net worth is calculated as the sum of opening tangible net worth and closing tangible net worth and then divided by two.
- (21) Not annualized

## Significant Factors Affecting Our Results of Operations

### Growth in customer and supplier relationships

The success of our healthcare products distribution platform depends on our ability to grow the number of customers serviced by us and also the number of healthcare product manufacturers that use our platform. As the number of healthcare product manufacturers on our platform increases, our access to product SKUs also increases, which in turn allows us to increase customer wallet share, as well as provide a wider and more diverse range of products to pharmacies, hospitals and clinics. Further, as the number of pharmacies, hospitals and clinics using our platform increases, the products they avail from us also increases, leading to higher revenues for us. Over the past three Financial Years and the six months ended September 30, 2023, we have grown the number of customers serviced by us, the number of districts that we cover and the number of healthcare companies that use our platform (which has enabled us to increase the number of SKUs handled over the past three Financial Years and the six months ended September 30, 2023), as set out in the table below:

Particulars	As of/for the six months ended September 30,		As of/for the year ended March 31,		
	2023	2022	2023	2022	2021
Customer count (Retail)	73,700+	65,000+	81,400+	64,200+	39,500+
Customer count (Hospitals)	2,800+	2,400+	3,400+	2,500+	1,600+
Number of SKUs handled	63,900+	59,000+	64,500+	56,500+	44,400+
Number of pharmaceutical and healthcare companies whose products have been billed	1,900+	1,700+	1,900+	1,700+	1,100+
Districts covered	501	471	495	463	420

As a result of the increase in our customer and supplier count and number of SKUs handled, and our geographical expansion, our revenue from operations have increased from ₹17,797.37 million in Financial Year 2021 to ₹25,220.65 million in Financial Year 2022 and ₹33,002.07 million in Financial Year 2023, at a CAGR of 36.17% (between Financial Year 2021 to Financial Year 2023), and from ₹15,839.68 million in the six months ended September 30, 2022 to ₹ 18,955.01 million in the six months ended September 30, 2023, at a growth rate of 19.67% (between the six months ended September 30, 2022 and the six months ended September 30, 2023).

Going forward, we expect to drive the expansion in our customer and supplier base through our platform's value proposition. To healthcare product manufacturers, our platform provides access to a large number of pharmacies, hospitals and clinics across India, as well as access to an efficient supply chain infrastructure with logistics services and warehousing spaces that comply with good warehouse practices. To pharmacies, hospitals and clinics, our platform provides a one stop solution for procurement needs, as well as a better buying experience through technology based solutions such as direct B2B applications and web platforms. For further details relating to our distribution platform, see "**Our Business – Overview**" and "**Our Business – Our Competitive Strengths – We are one of India's largest and fastest growing healthcare products distribution platform**" on pages 180 and 185, respectively.

### ***Our acquisitions of regional and local distributors***

According to the CRISIL Report, market consolidation in India's pharmaceutical distribution market is expected to be supported by factors such as introduction of the Goods and Services Tax regime and benefits presented by the consolidation of the segment, such as access to additional capital, better resource management, advantages of scale, procurement and operational efficiencies and management expertise, establishment of a technology-driven country-wide distribution network, better infrastructure, quick turnaround times and high fill rates. According to CRISIL Report, large / national pharmaceutical distribution players accounted for 8% to 10% share of total distributors in Financial Year 2023, and is expected to rise to 20% to 30% by Financial Year 2028. Since the inception of our Company in the Financial Year 2018, we have acquired 34 entities in the healthcare products distribution industry, which has contributed to the growth in our customer and supplier base and districts covered. This growth has, in turn, contributed to the growth in our revenue from operations. For details of the growth in sales (over the past three financial years) by the companies acquired by us since April 1, 2018, please see "*Our Business – Competitive Strengths - Track record of inorganic expansion and integration to grow our geographic reach, revenues and scale*".

Going forward, we intend to further supplement our inorganic growth with strategic acquisitions of regional and local distributors with strong branding, market position and growth potential in markets where we either do not have a presence or intend to consolidate market share. Accordingly, we have adopted a pan-India approach towards acquiring and integrating smaller distributors to expand our business and increase the wallet share of our customers.

Given our leading market position, strong track record of acquisitions and integration of acquired entities and in-depth industry experience, we believe we are well positioned to take advantage of the expected consolidation opportunities. Currently, we have a pipeline of 17 acquisitions (where non-binding term sheets have been signed) across 14 locations. For details, see "*Our Business – Competitive Strengths – Track record of inorganic expansion and integration to grow our geographic reach, revenues and scale*" on page 187.

See also, "*Pro Forma Financial Information*" on page 397, which sets out our pro-forma financial information as of and for the year ended March 31, 2023 and as of and for the six months ended September 30, 2023, showing the impact of the acquisition of two entities where we have signed definitive agreements to consummate upon closing during the Financial Year 2024.

### ***Our ability to improve our gross profit margin and manage our operational expenses and costs***

Our gross profit amounted to ₹1,415.97 million, ₹2,096.28 million, ₹2,683.42 million, ₹1,286.76 million and ₹1,691.57 million for the Financial Years 2021, 2022 and 2023, and the six months ended September 30, 2022 and 2023, respectively. Further, our gross profit margin amounted to 7.96%, 8.31%, 8.13%, 8.12% and 8.92% for Financial Years 2021, 2022 and 2023, and the six months ended September 30, 2022 and 2023, respectively. Our gross profit margin depends on our selling price to our customers, our procurement cost from our suppliers, product mix and customer mix.

Our procurement cost from our suppliers is largely based on our suppliers' discount structure and pricing schemes, as well as market competition. We apply a margin over the designated selling prices set by our suppliers, when we sell to our customers. As our expenses from purchase of stock-in-trade constitutes a significant portion of our total expenses, our ability to procure products at competitive prices from our suppliers in order to improve our gross profit margin significantly affects the profitability of our business. As we increase the scale of our operations by increasing our customer and supplier base, we expect that we will be able to benefit from economies of scale and improve our procurement costs. Further, we expect that our planned expansion through strategic acquisitions of regional and local distributors will allow us to increase the volume of products procured from our suppliers, which in turn will allow us to negotiate additional trade discounts with our suppliers, thereby enabling us to procure products at more competitive prices.

Additionally, our ability to expand into higher margin product segments such as medical consumables and devices will improve our product margins. According to the CRISIL Report, for medical consumables and devices, the channel margin (inclusive of distributors and retailers) ranges between 1.5 to 2.0 times the channel margin for pharmaceutical products. Thus, a shift in our product mix towards higher margin product segments will improve our gross profit margins. Further, in terms of customer mix, hospitals have typically provided us with better gross profit margins, as compared to pharmacies and clinics. Thus, our ability to increase our customer base of hospital customers will also improve our gross profit margins.

Our profitability is also impacted by our operational expenses. Our operational expenses include, among others, expenses and costs relating to leases, human resources, distribution and technology infrastructure. As substantially all of our warehouses, as well as our registered and corporate office are located on leased premises, our lease expenses depend largely on our ability to negotiate lease prices with our lessors upon expiry of our lease contracts. In relation to expenses relating to human resources, distribution and technology infrastructure, these differ from state to state depending on a number of factors, including power tariffs and regulations relating to manpower costs such as minimum wages. Our operational expenses also fluctuate based on external factors such as inflation. Our ability to manage our operational expenses will affect our total expenses, which in turn will affect the profitability of our business.

### ***Growth of the healthcare products distribution market in India***

Our results of operations are significantly affected by the growth of the healthcare products distribution market in India. According to the CRISIL Report, the target addressable market for pharmaceutical distributors in India is valued at ₹2.7 trillion in the Financial Year 2023 and is expected to grow at 10% to 11% CAGR from the Financial Year 2023 to the Financial Year 2028. We are amongst the top three healthcare products distributors in India in terms of revenue in Financial Year 2022 (*Source: CRISIL Report*) and are well positioned to capitalize on the growth of the Indian healthcare products distribution market. We also believe that we will be able to rapidly scale our business through strategic acquisitions of regional and local distributors, which will allow us to capitalize on the growth of the Indian healthcare products distribution market in a short time frame. Further, our ability to not only distribute but also market and promote our customers' brands will allow us to differentiate ourselves from our competitors and capitalize on the growth of the Indian healthcare products distribution market. However, if the Indian healthcare products distribution market does not grow as rapidly as projected, our future growth may be affected.

### **Significant Accounting Policies**

#### ***Significant accounting policies***

##### *Basis of Preparation of Financial Statements*

##### *Statement of Compliance with IND AS*

Our restated consolidated financial information comprises of the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2023, September 30, 2022, March 31, 2023, March 31, 2022 and March 31, 2021, 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 six months ended September 30, 2023, and September 30, 2022, the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021 and Notes to the Restated Consolidated Financial Information and Statement of Adjustments to Audited Consolidated Financial Statements (collectively, the 'Restated Consolidated Financial Information').

The Restated Consolidated Financial Information have been prepared by our management for the purpose of inclusion in this Prospectus ('Prospectus') to be filed by the Company with Securities and Exchange Board of India ('SEBI'), National Stock Exchange of India Limited and BSE Limited in connection with the proposed Initial Public Offering ('IPO') of its equity shares.

The Restated Consolidated Financial Information, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:

- a. Section 26 of the Companies Act, 2013 ("the Act") as amended from time to time;
- b. Paragraph A of Clause 11 (I) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the "SEBI ICDR Regulations") issued by the Securities and Exchange Board of India (the "SEBI"); and
- c. 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").

The Restated Consolidated Financial Information have been prepared by the Management from the audited consolidated financial statements of the Group as at and for the six months ended September 30, 2023, and September 30, 2022, the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021 which are

prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) Companies (Indian Accounting Standards) Rules, 2015 (including subsequent amendments) and other relevant provisions of the Act, which have been approved by the Board of Directors of the Holding Company at their meetings held on January 2024, 03 August 2023, 21 December 2022 and 29 December 2021, respectively.

These Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of auditor's reports on the audited consolidated financial statements mentioned above.

The Restated Consolidated Financial Information:

- (a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors, if any, and regrouping/reclassifications retrospectively in the year ended March 31, 2023, March 31, 2022 and March 31, 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six months ended 30 September 2023.
- (b) do not require any adjustment for qualification as there are no qualifications in the underlying audit reports.

The restated consolidated financial information was authorised for issue in accordance with a resolution of the Board of Directors on January 2024.

#### Principles of Consolidation and other Equity Accounting

##### Subsidiaries

Subsidiaries are entities controlled by us. We control an entity when we are exposed to, or have rights to, variable returns from our involvement with the entity and has the ability to affect those returns through our power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to us. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used for business combination by us. We assess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date we gain control until the date we cease to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member in our team uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that member's financial statements in preparing the consolidated financial statements to ensure conformity with our accounting policies.

##### Consolidation procedure

- a) We combine the financial statements of the parent and its subsidiaries line by line, by adding together like items of assets, liabilities, equity, income and expenses. Of the parent with those of its subsidiary For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.
- b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between our entities.

##### Non-controlling interests ("NCI")

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in our equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

The subsidiaries considered in the consolidated financial statement are:

Sr. No.	Name of the Company	Country of Incorporation	% ownership as at September 30, 2023	With effect from (dd-mm-yyyy)
1	G.S.Pharmaceutical Distributors Private Limited	India	100%	09-08-2018
2	Novacare Healthcare Solutions Private Limited	India	100%	09-08-2018
3	R S M Pharma Private Limited	India	100%	14-08-2018
4	Getwell Medicare Solution Private Limited	India	85%	26-12-2018
5	Sundarlal Pharma Distributors Private Limited	India	100%	29-12-2018
6	Chhabra Healthcare Solutions Private Limited	India	100%	19-01-2019
7	Galaxystar Pharma Distributors Private Limited	India	100%	21-02-2019
8	Avenues Pharma Distributors Private Limited	India	100%	15-04-2019
9	Chirag Medicare Solutions Private Limited	India	100%	15-05-2019
10	Jaggi Enterprises Private Limited	India	100%	20-05-2019
11	Chethana Healthcare Solutions Private Limited	India	100%	29-05-2019
12	Vasavi Medicare Solutions Private Limited	India	100%	31-05-2019
13	SVMED Solutions Private Limited	India	100%	12-06-2019
14	Chethana Pharma Private Limited	India	100%	06-08-2019
15	Millennium Medisolutions Private Limited	India	100%	07-08-2019
16	Rada Medisolutions Private Limited	India	100%	21-08-2019
17	Sesha Balajee Medisolutions Private Ltd	India	100%	13-01-2020
18	Barros Enterprises Private Limited	India	100%	02-03-2020
19	Rimedio Pharma Private Limited	India	100%	26-03-2020
20	Quomed Lifesciences Private Limited	India	100%	26-03-2020
21	Chethana Pharma Distributors Private Limited	India	100%	08-04-2020
22	Sree Venkateshwara Medisolutions Private Limited	India	100%	06-08-2020
23	CPD Pharma Private Limited	India	100%	14-09-2020
24	Calcutta Medisolutions Private Limited	India	100%	01-01-2021
25	Curever Pharma Private Limited	India	100%	19-01-2021
26	Western Healthcare Solutions Private Limited	India	100%	01-04-2021
27	City Pharma Distributor Private Limited	India	100%	14-04-2021
28	Atreja Healthcare Solutions Private Limited	India	100%	14-04-2021
29	Zennx Software Solutions Private Limited	India	100%	09-11-2021
30	New Siva Agencies Private Limited	India	100%	02-12-2021
31	New RRPD Private Limited	India	100%	03-12-2021
32	Swami Medisolutions Private Limited	India	100%	21-12-2021
33	Sri Parshva Pharma Distributors Private Limited	India	100%	01-02-2022
34	Sri Rama Pharmaceutical Distributors Private Limited	India	100%	01-03-2022
35	Saurashtra Medisolutions Private Limited	India	100%	01-05-2022
36	SVS Lifesciences Private Limited	India	100%	24-06-2022
37	S.S. Pharma Traders Private Limited	India	100%	18-08-2022
38	Entero R.S. Enterprises Private Limited	India	100%	16-09-2023

#### Current and non-current classification

All assets and liabilities are classified into current and non-current.

#### Assets

An asset is classified as current when it satisfied any of the following criteria:

- it is expected to be realized in, or intended for sale or consumption in, our normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the balance sheet date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the balance sheet date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

#### Liabilities

A liability is classified as current when it satisfies any of the following criteria: it expects to settle the liability in our normal operating cycle:

- it is held primarily for the purpose of being traded; and
- it is due to be settled within 12 months after the balance sheet date; or we do not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in our settlement by the issue of equity instruments do not affect our classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

#### Basis of Measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:-

- Certain Financial assets are measured at fair value (refer accounting policy on financial instruments); and
- Employee's Defined Benefit Plan as per actuarial valuation.

#### Use of Estimates

The preparation of financial statements in conformity with Ind AS requires our management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the balance sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the balance sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer to “- Significant accounting judgments, estimates and assumptions” below for detailed discussion on estimates and judgments.

#### *Property, Plant and Equipment (PPE) and Capital Work in Progress (CWIP)*

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses and capital work in progress are stated at cost less impairment, if any. The cost comprises purchase price, directly attributable cost of bringing the asset to our working condition for the intended use. Any trade discounts, rebates, input tax credit (IGST/ CGST and SGST) or any other tax credit available to us are deducted in arriving at the purchase price.

Subsequent expenditure relating to property, plant and equipment is capitalized only when we are probable that future economic benefit associated with these will flow to us and the cost of the item can be measured reliably.

Borrowing costs to the extent related/attributable to the acquisition/construction of property, plant and equipment that takes substantial period of time to get ready for their intended use are capitalized up to the date such asset is ready for use.

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 our 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 Statement of Profit or Loss when the asset is derecognized.

Property, plant and equipment not ready for intended use on the date of balance sheet are disclosed as “capital work in progress”.

#### Depreciation on plant, property and equipment

Depreciation on property, plant and equipment is provided on straightline method at their respective estimated useful lives, which is in line with the estimated useful lives as specified in Schedule II of the Companies Act, 2013 as given below.

Particulars	Useful Life as adopted (in years)
Leasehold Improvement*	Lease Period
Computer and peripherals	3-6
Furniture and fixtures	10
Office equipment**	3-5
Vehicle	8
Plant and Machineries	15
Electrical Installations and Equipment	10

\*Leasehold improvements are amortized over the period of the lease.

\*\* For office equipment, we use different useful life than those prescribed in Schedule II of the Companies Act, 2013. The useful life has been assessed based on technical evaluation, taking into account the nature of the asset and the estimated usage based on our management's best judgement of economic benefits from the same classes of assets.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, as appropriate.

#### *Other Intangible assets*

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization.

The cost comprises purchase price, directly attributable cost of bringing the asset to our working condition for the intended use which includes any trade discounts, rebates, input tax credit (IGST/CGST and SGST) or any other tax credit available to us are deducted in arriving at the purchase price.

Borrowing costs to the extent related/attributable to the acquisition/construction of intangible asset that takes substantial period of time to get ready for their intended use are capitalized from the date it meets capitalization criteria till such asset is ready for use.

Intangible assets are amortized on a straight line basis over their estimated useful economic lives.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

A summary of amortization period applied to our intangible assets is as below:

Particulars	Useful life (years)
Computer software	3-10

#### *Fair value Measurement*

We measure financial instruments, at fair value at each balance sheet date.

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 accessible to us.

We use 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. The management determines the policies and procedures for fair value measurement.

All assets and liabilities for which fair value is measured or disclosed in the financial statements 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 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

#### *Revenue recognition*

##### *Revenue from Sale of Traded Goods*

Revenue is recognized upon transfer of control of promised goods to customers. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to the contract are committed to perform their respective obligations under the contract. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, incentives, price concessions, amounts collected on behalf of third parties, or other similar items, if any, as specified in the contract with the customer. Revenue is recorded provided the recovery of consideration is probable and determinable.

Revenue is recognized at a point in time when the goods and consumables are delivered at the agreed point of delivery.

##### *Marketing Support*

Marketing support income is recognized upon transfer of control of promised services to customers. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, incentives, performance bonuses, price concessions, amounts collected on behalf of third parties, or other similar items, if any, as specified in the contract with the customer. Revenue is recorded provided the recovery of consideration is probable and determinable.

#### *Taxes*

##### *Current Income Tax*

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year-end date. 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.

##### *Deferred Tax*

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted

by the end of the year and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if we are probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. We establish provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

#### *Intangible asset under development*

We capitalize intangible asset under development for a project in accordance with the accounting policy. Initial capitalization of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalized, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

#### *Leases*

##### *Our Group as a lessee*

Our lease asset classes primarily consist of leases for warehouse and office. We assess whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, we assess whether: (i) we have the right to obtain substantially all of the economic benefits from use of the identified asset through the period of the lease and (ii) we have the right to direct the use of the identified asset.

At the date of commencement of the lease, we recognize a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which we are a lessee, except for leases with a short-term leases (term of twelve months or less) and lease of low value assets. For these short-term leases and lease of low value assets, we recognize the lease payments as an operating expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using our incremental borrowings rate. We remeasured when there is change in index or rate, if there is a change in company's estimate of amount expected to be payable under a residual value guarantee, or if we change our assessment of whether we will exercise a purchase, extension or termination option. When the lease liability is measured in this way, a corresponding adjustment is made to the carrying amount of right-of-use asset, or is recorded in profit and loss if carrying amount of right-of-use asset has been reduced to zero.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

We elected not to recognize right-of use-asset and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. We recognize the lease payment associated with these leases as an expense over the lease term.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. We make an assessment on the expected lease term on a lease-by lease basis and thereby assesses whether it is reasonably certain that any

options to extend or terminate the contract will be exercised. In evaluating the lease term, we consider factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to our operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

#### *Inventories*

The inventory comprises of traded goods which are stated at the lower of cost and net realizable value. Cost of inventory of traded goods is arrived based on actual cost by batch which comprises cost of purchases and all other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Provision is made for the cost of obsolescence and other anticipated losses, whenever considered necessary.

#### *Impairment of non-financial assets*

We assess at each year end whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, we estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account.

When we consider that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of our value in use and our fair value less costs to sell. 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 the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "Cash-Generating Unit" - CGU).

Goodwill is tested for impairment annually, or more frequently, when there is an indication that the Goodwill may be impaired. For the purpose of impairment testing, the carrying amount of the cash generating unit, including goodwill, is compared with its fair value. If the carrying amount of the reporting unit exceeds its fair value, a goodwill impairment loss is recognised, up to a maximum amount of the goodwill related to the cash generating unit.

#### *Business combinations*

We use the acquisition method of accounting to account for business combinations. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Control exists when we are exposed to, or have rights to variable returns from our involvement with the entity and have the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. We measure goodwill as of the applicable acquisition date at the fair value of the consideration transferred, less the net recognized amount of the identifiable assets acquired and liabilities assumed.

When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, a bargain purchase gain is recognized immediately in the OCI and accumulates the same in equity as capital reserve where there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase else the gain is directly recognized in equity as capital reserve. Consideration transferred

includes the fair values of the assets transferred, liabilities incurred by us to the previous owners of the acquiree, and equity interests issued by us. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to the settlement of pre-existing relationships. Any goodwill that arises on account of such business combination is tested annually for impairment.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then we are not re-measured and the settlement is accounted for within equity. Otherwise, other contingent consideration is re-measured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recorded in the statement of profit and loss. A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and our fair value can be measured reliably.

#### *Provisions and Contingent Liabilities*

A provision is recognized when we have a present obligation as a result of past event; we are probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are not discounted to our present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

We create a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

Contingent assets are neither recorded nor disclosed in the financial statements.

#### *Cash and cash equivalents*

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

#### *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.

#### Financial assets

##### Initial recognition and measurement

At initial recognition, financial asset is measured at our fair value plus, in the case of a financial asset not “at fair value through profit or loss”, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

##### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- at amortized cost; or
- at fair value through other comprehensive income; or
- at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the related cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (“EIR”).

Fair value through other comprehensive income (“FVOCI”): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amounts are taken through Other Comprehensive Income (“OCI”), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in “Other income” using the effective interest rate method.

We do not own any financial asset classified at fair value through other comprehensive income.

Fair value through profit or loss (“FVTPL”): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through statement of profit and loss. Interest income from these financial assets is included in “Other income”.

Asset that do not meet criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets are included in other income. We do not own any financial asset classified at fair value through profit or loss.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS 103 applies are classified as FVTPL. For all other equity instruments, we may make an irrevocable election to present in OCI subsequent changes in the fair value in other comprehensive income. We make such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.

If we decide to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, we 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 statement of profit and loss.

#### Impairment of financial assets

We assess on a forward looking basis the expected credit losses associated with our assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, we apply the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables

#### Derecognition of financial assets

A financial asset is derecognized only when:

- a) the right to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

#### Financial liabilities

### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized 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: Financial liabilities at fair value through profit or loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

### Derecognition

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 Statement of Profit and Loss as finance costs.

### Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of us or the counterparty.

### *Employee Benefits*

#### Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

#### Other long-term employee benefit obligations

#### Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where we have no further obligations. Such benefits are classified as Defined Contribution Schemes as we do not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where we have no further obligations. Such benefits are classified as Defined Contribution Schemes as we do not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

We have no further obligations under these plans beyond our monthly contributions.

#### Defined Benefit Plans

Gratuity: We provide for gratuity, a defined benefit plan (the "**Gratuity Plan**") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. Our liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

Compensated Absences: Accumulated compensated absences are unused leaves which can be encashed only on discontinuation of service by employee. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

#### Share based payments

Our employees (including senior executives) receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and our best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

#### *Foreign Currency Transactions*

##### Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("**the functional currency**"). The financial statements are presented in Indian rupee (INR), which is our functional and presentation currency.

##### Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognized in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognized in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

#### *Earnings Per Share*

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

The weighted average numbers of equity shares are adjusted for events such as bonus issue, bonus element in the rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### *Other income*

Interest income is accrued on a time proportion basis by reference to the principal outstanding and the effective interest rate.

Other items of income are accounted as and when the right to receive arises and it is probable that the economic benefits will flow to us and the amount of income can be measured reliably.

#### *Exceptional items*

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as Exceptional items.

#### *Commitments*

Commitments are future liability for contractual expenditure. Commitment are classified and disclosed as follows:

- a) Estimated amounts of contracts remaining to be executed on capital account and not provided for; and
- b) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

#### *Statements of cash flow*

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities.

Cash flow from operating activities is reported using indirect method adjusting the profit before tax excluding exceptional items for the effects of:

- a) changes during the period in operating receivables and payables, transactions of a non-cash nature;
- b) non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses; and
- c) all other items for which the cash effects are investing or financing cash flows.

#### ***Significant accounting judgments, estimates and assumptions***

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and



the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

#### *Estimates and assumptions*

The key assumptions concerning the future and other key sources of estimation uncertainty at the year-end 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. We based our assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond our control. Such changes are reflected in the assumptions when they occur.

#### *Recognition of deferred tax assets and liabilities*

Deferred tax assets and liabilities are recognized for the future temporary differences between the carrying values of assets and liabilities and their respective tax bases, depreciation carry-forwards and tax credits.

Deferred tax assets are recognized to the extent that we are probable that future taxable income will be available against which the deductible temporary differences and depreciation carry-forwards could be utilized. The position will be reviewed at each reporting period and will be recognized when the probability improves.

#### *Defined benefit plans (gratuity benefits and leave encashment)*

The cost of the defined benefit plans such as gratuity and leave encashment 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 our long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis.

#### *Intangible asset under development*

We capitalize intangible asset under development for a project in accordance with the accounting policy. Initial capitalization of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalized, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

#### *Impairment of Non-Financial Assets and Goodwill*

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

#### *Sales Return*

We account for sales returns accrual by recording refund liability concurrent with the recognition of revenue at the time of a product sale. This liability is based on our estimate of expected sales returns. Accordingly, the estimate of sales returns is determined primarily by our historical experience of sales returns.

At the time of recognizing the refund liability, we also recognizes an asset, (i.e., the right to the returned goods) which is included in "Other Current Assets" for the products expected to be returned. We initially measures this asset at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. Along with re-measuring the refund liability at the end of each reporting period, we update the measurement of the asset recorded for any revisions to our expected level of returns, as well as any additional decreases in the value of the returned products.

### ***Recent Accounting Pronouncements***

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

#### ***Ind AS 1 – Presentation of Financial Statements***

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements.

#### ***Ind AS 12 – Income Taxes***

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

#### ***Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors***

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

We do not expect these amendment to have any significant impact in our financial statements.

### **Key Components of Our Statement of Profit and Loss**

The following descriptions set forth information with respect to the key components of our profit and loss statements.

#### ***Total Income***

Total income consists of revenue from operations and other income.

*Revenue from operations.* Revenue from operations consists of (i) revenue from the sale of healthcare products to customers through our platform; and (ii) other operative revenue, comprising mainly fees for marketing services that we provide and charges that we levy for delayed payments.

*Other income.* Other income primarily consists of interest income on fixed deposits with banks designated as amortized cost, interest income on intercorporate deposit, other interest income, interest on unwinding of security deposits, net gain or loss on foreign currency transaction and translation, and miscellaneous income.

#### ***Expenses***

Expenses include purchase of stock-in-trade, changes in inventories of stock-in-trade, employee benefits expense, finance costs, depreciation and amortization expense and other expenses.

*Purchase of stock-in-trade.* Purchase of stock-in-trade comprises purchases of healthcare products from healthcare product manufacturers that we on-sell to our customers.

*Changes in inventories of stock-in-trade.* Changes in inventories of stock-in-trade consists of net increases or decreases in inventories of stock-in-trade, taking into account inventories of other subsidiaries / businesses that we acquire as at the date of the acquisition.

*Employee benefits expense.* Employee benefit expense consists of salaries, wages, bonus and other allowances, contribution to provident fund and other funds, gratuity and leave encashment, leave obligation and staff welfare expenses.

*Finance costs.* Finance costs consist of interest expenses on bank loan, interest expenses on loan from others (comprising mainly loan from directors), interest expenses on delay in payment of taxes, interest expenses on lease liabilities, processing charges, bank charges and others.

*Depreciation and amortization expense.* Depreciation and amortization expense consists of depreciation on property, plant and equipment, depreciation on right-of-use assets and amortization on intangible assets.

*Other expenses.* Other expenses primarily consist of distribution cost (i.e., costs incurred on outward freight, transportation charges and costs of packing materials in relation to the delivery of products to our customers), legal and professional charges, travelling expenses, business promotion expenses and miscellaneous expenses.

### **Tax expense**

Tax expense consists of current tax and deferred tax. Current tax includes current tax on profits for the year and adjustments for current tax of prior years. Deferred tax includes deferred tax expense (income).

### **Our Results of Operations**

The following table sets forth the selected financial data from our Restated Consolidated Financial Statements for the Financial Years 2021, 2022 and 2023, and the six months ended September 30, 2022 and 2023, the components of which are also expressed as a percentage of total income for such years:

Particulars	For the six months ended September 30,				For the Financial Years					
	2023		2022		2023		2022		2021	
	(₹in millions)	% of Total Income	(₹in millions)	% of Total Income	(₹in millions)	% of Total Income	(₹in millions)	% of Total Income	(₹in millions)	% of Total Income
<b>Income</b>										
Revenue from operations	18,955.01	99.82%	15,839.68	99.84%	33,002.07	99.83%	25,220.65	99.82%	17,797.37	99.78%
Other income	34.76	0.18%	24.71	0.16%	55.14	0.17%	44.83	0.18%	39.31	0.22%
<b>Total income</b>	<b>18,989.77</b>	<b>100.00%</b>	<b>15,864.39</b>	<b>100.00%</b>	<b>33,057.21</b>	<b>100.00%</b>	<b>25,265.48</b>	<b>100.00%</b>	<b>17,836.68</b>	<b>100.00%</b>
<b>Expenses</b>										
Purchase of stock-in-trade	17,600.30	92.68%	14,585.35	91.94%	30,512.60	92.30%	23,424.71	92.71%	16,851.90	94.48%
Changes in inventories of stock-in-trade	(336.86)	(1.77)%	(32.44)	(0.20)%	(193.95)	(0.59)%	(300.34)	(1.19)%	(470.50)	(2.64)%
Employee benefits expense	733.26	3.86%	656.67	4.14%	1,281.40	3.88%	1,148.06	4.54%	759.42	4.26%
Finance costs	322.91	1.70%	230.27	1.45%	489.72	1.48%	289.78	1.15%	200.38	1.12%
Depreciation and amortization expense	118.79	0.63%	116.27	0.73%	242.37	0.73%	197.54	0.78%	162.76	0.91%
Other expenses	414.65	2.18%	379.81	2.39%	761.95	2.30%	703.84	2.79%	441.10	2.47%
<b>Total expenses</b>	<b>18,853.05</b>	<b>99.28%</b>	<b>15,935.93</b>	<b>100.45%</b>	<b>33,094.09</b>	<b>100.11%</b>	<b>25,463.59</b>	<b>100.78%</b>	<b>17,945.06</b>	<b>100.61%</b>
<b>Restated profit before tax</b>	<b>136.72</b>	<b>0.72%</b>	<b>(71.54)</b>	<b>(0.45)%</b>	<b>(36.88)</b>	<b>(0.11)%</b>	<b>(198.11)</b>	<b>(0.78)%</b>	<b>(108.38)</b>	<b>(0.61)%</b>
<b>Tax expenses</b>										
Current tax	66.93	0.35%	47.21	0.30%	99.65	0.30%	98.64	0.39%	46.84	0.26%
Deferred tax	(46.63)	(0.25)%	(10.18)	(0.06)%	(25.49)	(0.08)%	(2.36)	(0.01)%	(1.68)	(0.01)%
<b>Total income tax expense</b>	<b>20.30</b>	<b>0.11%</b>	<b>37.03</b>	<b>0.23%</b>	<b>74.16</b>	<b>0.22%</b>	<b>96.28</b>	<b>0.38%</b>	<b>45.16</b>	<b>0.25%</b>
<b>Restated profit for the year</b>	<b>116.42</b>	<b>0.61%</b>	<b>(108.57)</b>	<b>(0.68)%</b>	<b>(111.04)</b>	<b>(0.34)%</b>	<b>(294.39)</b>	<b>(1.17)%</b>	<b>(153.54)</b>	<b>(0.86)%</b>

*Six months ended September 30, 2023 compared to six months ended September 30, 2022*

## **Income**

*Total income.* Total income increased by 19.70% to ₹18,989.77 million in the six months ended September 30, 2023 from ₹15,864.39 million in the six months ended September 30, 2022, primarily due to an increase in revenue from operations.

*Revenue from operations.* Revenue from operations increased by 19.67% to ₹18,955.01 million in the six months ended September 30, 2023 from ₹15,839.68 million in the six months ended September 30, 2022, primarily due to an increase in sale of traded goods to ₹18,811.32 million in the six months ended September 30, 2023 from ₹15,812.01 million in the six months ended September 30, 2022.

The increase in sale of traded goods was primarily on account of an increase in sales volumes of healthcare products through our platform. During the six months ended September 30, 2023, we handled over 63,900 SKUs through our platform, as compared to over 59,000 SKUs handled during the six months ended September 30, 2022. We also increased our number of customers serviced during the six months ended September 30, 2023. During the six months ended September 30, 2023, we serviced over 73,700 retail customers and over 2,800 hospital customers, as compared with over 65,000 retail customers and over 2,400 hospital customers during the six months ended September 30, 2022. Further, we increased our district coverage to 501 districts covered during the six months ended September 30, 2023, compared to 471 districts covered in the six months ended September 30, 2022. These increases were as a result of the organic growth in our business and also inorganic growth (contributed by an entity that we acquired during the six months ended September 30, 2023 and the full period impact of entities acquired during the six months ended September 30, 2022). We acquired one entity in the six months ended September 30, 2023 and three entities in the six months ended September 30, 2022. Further, the increase in sale of traded goods was also on account of an overall increase in the price of various healthcare products that we sell to our customers. The price increases were as a result of industry-wide price increases by healthcare product manufacturers during the period.

*Other income.* Other income increased by 40.67% to ₹34.76 million in the six months ended September 30, 2023 from ₹24.71 million in the six months ended September 30, 2022, primarily due to an increase in interest income on fixed deposits designated as amortized cost to ₹28.35 million in the six months ended September 30, 2023 from ₹12.46 million in the six months ended September 30, 2022, and an increase in interest on unwinding of security deposits to ₹2.30 million in the six months ended September 30, 2023 from ₹2.29 million in the six months ended September 30, 2022.

## **Expenses**

*Total expenses.* Total expenses increased by 18.31% to ₹18,853.05 million in the six months ended September 30, 2023 from ₹15,935.93 million in the six months ended September 30, 2022, primarily due to an increase in purchase of stock-in-trade, employee benefits expense, finance costs, depreciation and amortization expense and other expenses. Our purchase of stock-in-trade as a percentage of total income increased to 92.68% in the six months ended September 30, 2023 from 91.94% in the six months ended September 30, 2022, and our distribution cost as a percentage of total income decreased to 0.64% in the six months ended September 30, 2023 from 0.66% in the six months ended September 30, 2022.

*Purchases of stock-in-trade.* Purchases of stock-in-trade increased by 20.67% to ₹17,600.30 million in the six months ended September 30, 2023 from ₹14,585.35 million in the six months ended September 30, 2022, primarily due to an increase in sales volumes of healthcare products through our platform, which was mainly on account of the organic and inorganic growth in our business. During six months ended September 30, 2023, we increased the number of pharmaceutical/healthcare companies whose products have been billed to over 1,900, as compared to over 1,700 during six months ended September 30, 2022.

The increase in purchases of stock-in-trade was also on account of an overall increase in procurement cost of our products from suppliers from the six months ended September 30, 2022 to the six months ended September 30, Year 2023, driven by the increase in pricing of various healthcare products during the year.

*Changes in inventories of stock-in-trade.* The change in inventories of stock-in-trade was ₹(336.86) million in the six months ended September 30, 2023. We had inventories aggregating to ₹3,416.28 million at the beginning of six months ended September 30, 2023, inventories aggregating to ₹3,874.64 million at the end of six months ended September 30, 2023 and inventories as at the date of acquisition of subsidiary / business aggregating to

₹121.50 million for six months ended September 30, 2023. The increase in inventories is primarily due to the growth of our business during the period.

*Employee benefits expense.* Employee benefits expense increased by 11.66% to ₹733.26 million in the six months ended September 30, 2023 from ₹656.67 million in the six months ended September 30, 2022, primarily due to an increase in salaries, wages, bonus and other allowance to ₹664.68 million in the six months ended September 30, 2023 from ₹598.53 million in the six months ended September 30, 2022. These increases were mainly attributable to our acquisition of employees of the entity that we acquired during the six months ended September 30, 2023, the full period impact of employee related costs of the entities acquired during six months ended September 30, 2022, and salary increments in the six months ended September 30, 2023. Our total employees increased to 3,181 as of six months ended September 30, 2023 from 3,018 as of six months ended September 30, 2022.

*Finance costs.* Finance costs increased by 40.24% to ₹322.91 million in the six months ended September 30, 2023 from ₹230.27 million in the six months ended September 30, 2022, primarily due to increases in (i) interest expense on non-convertible debenture to ₹48.56 million in the six months ended September 30, 2023 from nil in the six months ended September 30, 2022, (ii) interest expenses on bank loan to ₹218.19 million in the six months ended September 30, 2023 from ₹171.81 million in the six months ended September 30, 2022, and (iii) bank charges to ₹14.74 million in the six months ended September 30, 2023 from ₹10.18 million in the six months ended September 30, 2022. The increase in interest expense on non-convertible debenture was mainly on account of new issuance of non-convertible debentures during the six months ended September 30, 2023. The increase in interest expenses on bank loan was mainly on account of (i) new term loans availed in the six months ended September 30, 2023, (ii) an increase in utilisation of working capital loans in the six months ended September 30, 2023, (iii) an increase in borrowings due to drawdowns made on our credit facilities to finance our working capital requirements, and (iv) an increase in effective interest rates on our borrowings to 12.94% in the six months ended September 30, 2023 from 11.45% in the six months ended September 30, 2022.

*Depreciation and amortization expense.* Depreciation and amortization expense increased by 2.17% to ₹118.79 million in the six months ended September 30, 2023 from ₹116.27 million for the six months ended September 30, 2022, primarily due to an increase in depreciation on right-of-use assets to ₹74.23 million in the six months ended September 30, 2023 from ₹71.67 million in the six months ended September 30, 2022. The increase in depreciation on right-of-use assets and depreciation on property, plant and equipment was mainly on account of the full period impact of entities acquired during six months ended September 30, 2022, and the entity that we acquired during six months ended September 30, 2023.

*Other expenses.* Other expenses increased by 9.18% to ₹414.65 million in the six months ended September 30, 2023 from ₹379.81 million in the six months ended September 30, 2022, primarily due to increases in distribution cost by 15.96% to ₹120.69 million in the six months ended September 30, 2023 from ₹104.08 million in the six months ended September 30, 2022, and provision for impairment loss by 732.83% to ₹27.40 million in the six months ended September 30, 2023 from ₹3.29 million in the six months ended September 30, 2022. Distribution cost is a variable expense, and has increased mainly on account of an increase in the scale of our business in line with an increase in revenue from operations. Provision for impairment loss has increased mainly on account of an increase in provisions for expected credit losses due to the slow recovery of our trade receivable during the period. The increase in other expenses was also on account of an increase in rent, office expenses, printing and stationery expenses, power and fuel expenses, and distribution cost incurred during the year.

*Total tax expenses.* Our total tax expenses decreased by 45.18% to ₹20.30 million in the six months ended September 30, 2023 from ₹37.03 million in the six months ended September 30, 2022, primarily due to an increase in deferred tax income to ₹46.63 million in the six months ended September 30, 2023 from ₹10.18 million in the six months ended September 30, 2022. The increase in deferred tax income was partially offset by an increase in our current tax on profits for the period, mainly on account of higher taxable profits during the six months ended September 30, 2023.

*Restated profit for the year.* As a result of the foregoing, we reported a restated profit of ₹116.42 million for six months ended September 30, 2023 as compared to a restated loss of ₹108.57 million for six months ended September 30, 2022.

## **Financial Year 2023 compared to Financial Year 2022**

### **Income**

*Total income.* Total income increased by 30.84% to ₹33,057.21 million in Financial Year 2023 from ₹25,265.48 million in Financial Year 2022, primarily due to an increase in revenue from operations.

*Revenue from operations.* Revenue from operations increased by 30.85% to ₹33,002.07 million in Financial Year 2023 from ₹25,220.65 million in Financial Year 2022, primarily due to an increase in sale of traded goods to ₹32,931.43 million in Financial Year 2023 from ₹25,152.67 million in Financial Year 2022.

The increase in sale of traded goods was primarily on account of an increase in sales volumes of healthcare products through our platform. During Financial Year 2023, we handled over 64,500 SKUs through our platform, as compared to over 56,500 SKUs handled during Financial Year 2022. We also increased our number of customers serviced during Financial Year 2023. During Financial Year 2023, we serviced over 81,400 retail customers and over 3,400 hospital customers, as compared with over 64,200 retail customers and over 2,500 hospital customers during Financial Year 2022. Further, we increased our district coverage to 495 districts covered during Financial Year 2023, compared to 463 districts covered in Financial Year 2022. These increases were as a result of the organic growth in our business and also inorganic growth (contributed by entities acquired during Financial Year 2023 and the full year impact of entities acquired during Financial Year 2022). We acquired three entities in Financial Year 2023 and eight entities in Financial Year 2022. Further, the increase in sale of traded goods was also on account of an overall increase in the price of various healthcare products that we sell to our customers. The price increases were as a result of industry-wide price increases by healthcare product manufacturers during the year.

*Other income.* Other income increased by 23.00% to ₹55.14 million in Financial Year 2023 from ₹44.83 million in Financial Year 2022, primarily due to an increase in interest income on fixed deposits designated as amortized cost to ₹33.99 million in Financial Year 2023 from ₹28.52 million in Financial Year 2022, and an increase in interest on unwinding of security deposits to ₹4.71 million in Financial Year 2023 from ₹3.83 million in Financial Year 2022.

### **Expenses**

*Total expenses.* Total expenses increased by 29.97% to ₹33,094.09 million in Financial Year 2023 from ₹25,463.59 million in Financial Year 2022, primarily due to an increase in purchase of stock-in-trade, employee benefits expense, finance costs, depreciation and amortization expense and other expenses. Our purchase of stock-in-trade as a percentage of total income decreased to 92.30% in Financial Year 2023 from 92.71% in Financial Year 2022, and our distribution cost as a percentage of total income decreased to 0.63% in Financial Year 2023 from 0.70% in Financial Year 2022.

*Purchases of stock-in-trade.* Purchases of stock-in-trade increased by 30.26% to ₹30,512.60 million in Financial Year 2023 from ₹23,424.71 million in Financial Year 2022, primarily due to an increase in sales volumes of healthcare products through our platform, which was mainly on account of the organic and inorganic growth in our business. During Financial Year 2023, we increased the number of pharmaceutical/healthcare companies whose products have been billed to over 1,900, as compared to over 1,700 during Financial Year 2022.

The increase in purchases of stock-in-trade was also on account of an overall increase in procurement cost of our products from suppliers from Financial Year 2022 to Financial Year 2023, driven by the increase in pricing of various healthcare products during the year.

*Changes in inventories of stock-in-trade.* The change in inventories of stock-in-trade was ₹(193.95) million in Financial Year 2023. We had inventories aggregating to ₹3,101.64 million at the beginning of Financial Year 2023, inventories aggregating to ₹3,416.28 million at the end of Financial Year 2023 and inventories as at the date of acquisition of subsidiary / business aggregating to ₹120.69 million for Financial Year 2023. During the Financial Year 2022, we recognized provision for inventory amounting to ₹116.59 million. This inventory comprised sanitizers, personal protective equipment kits, face masks and infrared thermometers that we had procured in anticipation of demand for such inventory due to the COVID-19 pandemic. However, as the adverse impact of the COVID-19 pandemic gradually reduced, we recognized these provisions.

*Employee benefits expense.* Employee benefits expense increased by 11.61% to ₹1,281.40 million in Financial Year 2023 from ₹1,148.06 million in Financial Year 2022, primarily due to an increase in salaries, wages, bonus and other allowance to ₹1,160.00 million in Financial Year 2023 from ₹1,043.41 million in Financial Year 2022. These increases were mainly attributable to our acquisition of employees of the entities that we acquired during Financial Year 2023, the full year impact of employee related costs of the entities acquired during Financial Year

2022, and salary increments in Financial Year 2023. Our total employees increased to 3,041 as of March 31, 2023 from 2,875 as of March 31, 2022.

*Finance costs.* Finance costs increased by 69.00% to ₹489.72 million in Financial Year 2023 from ₹289.78 million in Financial Year 2022, primarily due to an increase in interest expenses on bank loan to ₹376.98 million in Financial Year 2023 from ₹197.05 million in Financial Year 2022 and an increase in processing charges to ₹22.88 million in Financial Year 2023 from ₹9.95 million in Financial Year 2022. The increase in interest expenses on bank loan was mainly on account of (i) the impact of full year interest cost on term loans availed in the last quarter of Financial Year 2022 and new term loans availed in Financial Year 2023, (ii) an increase in borrowings due to drawdowns made on our credit facilities to finance our working capital requirements, and (iii) an increase in effective interest rates on our borrowings to 12.18% in Financial Year 2023 from 9.75% in Financial Year 2022.

*Depreciation and amortization expense.* Depreciation and amortization expense increased by 22.69% to ₹242.37 million in Financial Year 2023 from ₹197.54 million for the Financial Year 2022, primarily due to an increase in depreciation on right-of-use assets to ₹146.31 million in Financial Year 2023 from ₹120.33 million in Financial Year 2022 and an increase in depreciation on property, plant and equipment to ₹89.52 million in Financial Year 2023 from ₹72.00 million in Financial Year 2022. The increase in depreciation on right-of-use assets and depreciation on property, plant and equipment was mainly on account of the full year impact of entities acquired during Financial Year 2022, and the entities that we acquired during Financial Year 2023.

*Other expenses.* Other expenses increased by 8.26% to ₹761.95 million in Financial Year 2023 from ₹703.84 million in Financial Year 2022, primarily due to increases in distribution cost by 16.51% to ₹206.97 million in Financial Year 2023 from ₹177.64 million in Financial Year 2022, and commission and brokerage expenses by 108.01% to ₹23.90 million in Financial Year 2023 from ₹11.49 million in Financial Year 2022. Distribution cost and commission and brokerage expenses are variable expenses, and have increased mainly on account of an increase in the scale of our business in line with an increase in revenue from operations. The increase in other expenses was also on account of an increase in office expenses, distribution cost and legal and professional charges incurred during the year, primarily due to expenses incurred during the year from the acquisitions of new entities. The increase in other expenses was also on account of a general increase in other non-recurring expenses towards one-time transactions during the year.

Other expenses as a percentage of revenue from operations decreased to 2.31% in Financial Year 2023 from 2.79% in Financial Year 2022, primarily due to an improvement in our cost efficiency in Financial Year 2023 as we derived benefits of economies of scale.

*Total tax expenses.* Our total tax expenses decreased to ₹74.16 million in Financial Year 2023 from ₹96.28 million in Financial Year 2022, primarily due to an increase in deferred tax income to ₹25.49 million in Financial Year 2023 from ₹2.36 million in Financial Year 2022. The increase in deferred tax income was partially offset by an increase in our current tax on profits for the year, which increased to ₹99.65 million for Financial Year 2023, as compared with ₹98.64 million for Financial Year 2022, due to higher taxable profits during Financial Year 2023.

*Restated loss for the year.* As a result of the foregoing, we reported a restated loss of ₹111.04 million for Financial Year 2023 as compared to a restated loss of ₹294.39 million for Financial Year 2022.

### ***Financial Year 2022 compared to Financial Year 2021***

#### ***Income***

*Total income.* Total income increased by 41.65% to ₹25,265.48 million in Financial Year 2022 from ₹17,836.68 million in Financial Year 2021, primarily due to an increase in revenue from operations.

*Revenue from operations.* Revenue from operations increased by 41.71% to ₹25,220.65 million in Financial Year 2022 from ₹17,797.37 million in Financial Year 2021, primarily due to an increase in sale of traded goods to ₹25,152.67 million in Financial Year 2022 from ₹17,731.04 million in Financial Year 2021.

The increase in sale of traded goods was primarily on account of an increase in sales volumes of healthcare products through our platform. During Financial Year 2022, we handled over 56,500 SKUs through our platform, as compared to over 44,400 SKUs handled during Financial Year 2021. We also increased the number of retail customers serviced during Financial Year 2022. During Financial Year 2022, we serviced over 64,200 retail customers and over 2,500 hospital customers, as compared with over 39,500 retail customers and over 1,600

hospital customers during Financial Year 2021. Further, we increased our district coverage to 463 districts covered during Financial Year 2022, compared to 420 districts covered in Financial Year 2021. These increases were as a result of the organic growth in our business and also inorganic growth (contributed by entities acquired during Financial Year 2022 and the full year impact of entities acquired during Financial Year 2021). We acquired eight entities in Financial Year 2022 and three entities in Financial Year 2021. Further, the increase in sale of traded goods was also on account of an overall increase in the price of various healthcare products that we sell to our customers. The price increases were as a result of industry-wide price increases by healthcare product manufacturers during the year.

*Other income.* Other income increased by 14.04% to ₹44.83 million in Financial Year 2022 from ₹39.31 million in Financial Year 2021, primarily due to an increase in interest income on fixed deposits designated as amortized cost to ₹28.52 million in Financial Year 2022 from ₹22.24 million in Financial Year 2021 and an increase in miscellaneous income to ₹8.86 million in Financial Year 2022 from ₹6.05 million in Financial Year 2021.

### **Expenses**

*Total expenses.* Total expenses increased by 41.90% to ₹25,463.59 million in Financial Year 2022 from ₹17,945.06 million in Financial Year 2021, primarily due to an increase in purchase of stock-in-trade, employee benefits expense, finance costs, depreciation and amortization expense and other expenses. Our purchase of stock-in-trade as a percentage of total income decreased to 92.71% in Financial Year 2022 from 94.48% in Financial Year 2021, and our distribution cost as a percentage of total income increased to 0.70% in Financial Year 2022 from 0.64% in Financial Year 2021.

*Purchase of stock-in-trade.* Purchases of stock-in-trade increased by 39.00% to ₹23,424.71 million in Financial Year 2022 from ₹16,851.90 million in Financial Year 2021, primarily due to an increase in sales volumes of healthcare products through our platform, which was mainly on account of the organic and inorganic growth in our business. During Financial Year 2022, we increased the number of pharmaceutical/healthcare companies whose products have been billed to over 1,700, as compared to over 1,100 during Financial Year 2021.

The increase in purchases of stock-in-trade was also on account of an overall increase in procurement cost of our products from suppliers from Financial Year 2021 to Financial Year 2022, driven by the increase in pricing of various healthcare products.

*Changes in inventories of stock-in-trade.* The change in inventories of stock-in-trade was ₹(300.34) million in Financial Year 2022. We had inventories aggregating to ₹2,439.26 million at the beginning of Financial Year 2022, inventories aggregating to ₹3,101.64 million at the end of Financial Year 2021 and inventories as at the date of acquisition of subsidiary / business aggregating to ₹362.04 million for Financial Year 2022. During the Financial Year 2022 and 2021, we recognized provision for inventory amounting to ₹116.59 million and ₹301.48 million, respectively. This inventory comprised sanitizers, personal protective equipment kits, face masks and infrared thermometers that we had procured in anticipation of demand for such inventory due to the COVID-19 pandemic. However, as the adverse impact of the COVID-19 pandemic gradually reduced, we recognized these provision.

*Employee benefits expense.* Employee benefits expense increased by 51.18% to ₹1,148.06 million in Financial Year 2022 from ₹759.42 million in Financial Year 2021, primarily due to an increase in salaries, wages, bonus and other allowance to ₹1,043.41 million in Financial Year 2022 from ₹689.35 million in Financial Year 2021, and an increase in contribution to provident fund and other funds to ₹51.53 million in Financial Year 2022 from ₹37.20 million in Financial Year 2021. These increases were mainly attributable to our acquisition of employees of the entities that we acquired during Financial Year 2022, the full year impact of employee related costs of the entities acquired during Financial Year 2021, and salary increments in Financial Year 2022. Our total employees increased to 2,875 as of March 31, 2022 from 2,141 as of March 31, 2021.

*Finance costs.* Finance costs increased by 44.62% to ₹289.78 million in Financial Year 2022 from ₹200.38 million in Financial Year 2021, primarily due to an increase in interest expenses on bank loan to ₹197.05 million in Financial Year 2022 from ₹104.04 million in Financial Year 2021, mainly on account of (i) new term loans availed in Financial Year 2022, and (ii) an increase in borrowings due to drawdowns made on our credit facilities to finance our working capital requirements.

*Depreciation and amortization expense.* Depreciation and amortization expense increased by 21.37% to ₹197.54 million in Financial Year 2022 from ₹162.76 million for the Financial Year 2021, primarily due to an increase in



depreciation on right-of-use assets to ₹120.33 million in Financial Year 2022 from ₹100.36 million in Financial Year 2021 and an increase in depreciation on property, plant and equipment to ₹72.00 million in Financial Year 2022 from ₹60.53 million in Financial Year 2021. The increase in depreciation on right-of-use assets depreciation on property, plant and equipment was mainly on account of the full year impact of entities acquired during Financial Year 2021, and the entities that we acquired during Financial Year 2022.

*Other expenses.* Other expenses increased by 59.56% to ₹703.84 million in Financial Year 2022 from ₹441.10 million in Financial Year 2021, primarily due to increases in distribution cost by 55.17% to ₹177.64 million in Financial Year 2022 from ₹114.48 million in Financial Year 2021, business promotion expenses by 300.34% to ₹70.98 million in Financial Year 2022 from ₹17.73 million in Financial Year 2021, and provision for impairment loss by 344.84% to ₹62.50 million in Financial Year 2022 from ₹14.05 million in Financial Year 2021. The increase in distribution cost was mainly on account of an increase in scale of our business in line with an increase in revenue from operations. The increase in business promotion expenses was mainly on account of an increase in business promotional spendings for our third party marketing services and ancillary private label business. The increase in provision for impairment loss was mainly on account of an increase in provisions for expected credit losses due to the slow recovery of our trade receivable during the year. The increase in other expenses was also on account of an increase in distribution cost, miscellaneous expenses and travelling expenses during the year, primarily due to expenses incurred during the year from acquisitions of new entities. The increase in other expenses was also on account of a general increase in other non-recurring expenses towards one-time transactions during the year.

*Total Tax expenses.* Our total tax expenses increased to ₹96.28 million in Financial Year 2022 from ₹45.16 million in Financial Year 2021, primarily due to an increase in current tax to ₹98.64 million in Financial Year 2022 from ₹46.84 million in Financial Year 2021. The increase in current tax was mainly on account of an increase in current tax on profits for the year to ₹98.43 million in Financial Year 2022 from ₹45.59 million in Financial Year 2021.

*Restated loss for the year.* As a result of the foregoing, we reported a restated loss of ₹294.39 million for Financial Year 2022 as compared to a restated loss of ₹153.54 million for Financial Year 2021.

### **Net Working Capital Days**

Our net working capital days, which is calculated by Net Working Capital (calculated as Current Asset (excluding cash/bank or cash equivalents) reduced by Current liabilities (excluding Short term borrowings)) represented in days sales (grossed up for taxes) during the period, decreased to 63 for the Financial Year 2023 from 69 for the Financial Year 2022 and 74 for the Financial Year 2021, primarily due to an improvement in our inventory management during these periods. Our net working capital days decreased to 67 for the six months ended September 30, 2023, as compared to 64 for the six months ended September 30, 2022, primarily due to an increase in our receivables during this period.

### **Liquidity and Capital Resources**

Our primary source of liquidity is cash generated from operations and proceeds from borrowings. As of September 30, 2023, we had cash and cash equivalents of ₹519.29 million and bank balances other than cash and cash equivalents of ₹784.32 million.

Our funding requirements are primarily for working capital, investments in our business and strategic acquisitions. For details, see “*Objects of the Offer*” on page 116. We expect that cash generated from operations, debt borrowings and the Net Proceeds from the Offer will continue to be our principal source of funds in the short to medium term. We evaluate our funding requirements periodically in light of our net cash flow from operating activities, the requirements of our business and operations, acquisition opportunities and market conditions.

### **Cash Flows**

The following table summarizes our cash flows data for the Financial Years 2021, 2022 and 2023, and the six months ended September 30, 2022 and 2023:

Particulars	For the six months ended September 30,		For the Financial Year		
	2023	2022	2023	2022	2021
	₹ in millions		₹ in millions		
Operating profit before working capital changes	570.72	232.43	692.79	217.06	318.24
Working capital changes	(1,349.33)	(863.59)	(1,021.67)	(460.68)	(959.25)
Income tax paid	(48.60)	(46.08)	(124.27)	(109.04)	(45.83)
Net cash flows used in operating activities	(827.21)	(677.24)	(453.15)	(352.66)	(686.84)
Net cash flows used in investing activities	(188.81)	(338.33)	(485.95)	(1,617.32)	(308.69)
Net cash flow from financing activities	1,270.91	946.74	727.64	2,111.92	887.13
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>254.90</b>	<b>(68.83)</b>	<b>(211.46)</b>	<b>141.94</b>	<b>(108.40)</b>
Cash and cash equivalents at the beginning of the year	253.62	465.08	465.08	323.14	431.54
Add: on acquisition of business	10.78	-	-	-	-
<b>Cash and cash equivalents at the end of the year</b>	<b>519.29</b>	<b>396.25</b>	<b>253.62</b>	<b>465.08</b>	<b>323.14</b>

#### *Net cash flows used in operating activities*

In Financial Year 2021, we had an operating profit before working capital changes amounting to ₹318.24 million. The movement in working capital primarily consist of increases in (i) inventories of ₹489.51 million, (ii) other current assets of ₹122.25 million and (iii) trade receivables of ₹119.19 million, which was partially offset by a decrease in non-current assets of ₹4.40 million. Our spendings towards working capital changes also include the amount of working capital attributable to our newly acquired entities during the year. The income tax paid (including advance tax & TDS) amounted to ₹45.83 million. As a result of the above, our net cash flows used in operating activities was ₹(686.84) million in Financial Year 2021.

In Financial Year 2022, we had an operating profit before working capital changes amounting to ₹217.06 million. The movement in working capital primarily consist of increases in (i) trade receivables of ₹682.19 million and (ii) inventories of ₹300.97 million, which was partially offset by increases in (i) other financial liabilities of ₹302.39 million and (ii) trade payables of ₹185.18 million. Our spendings towards working capital changes also include the amount of working capital attributable to our newly acquired entities during the year. The income tax paid (including advance tax & TDS) amounted to ₹109.04 million. As a result of the above, our net cash flows used in operating activities was ₹(352.66) million in Financial Year 2022.

In Financial Year 2023, we had an operating profit before working capital changes amounting to ₹692.79 million. The movement in working capital primarily consist of increases in (i) trade receivables of ₹1,337.18 million, (ii) inventories of ₹193.94 million and a decrease in other financial liabilities of ₹101.08 million, which was partially offset by increases in (i) trade payables of ₹575.85 million and (ii) other current liabilities of ₹33.33 million. Our spendings towards working capital changes also include the amount of working capital attributable to our newly acquired entities during the year. The income tax paid (including advance tax & TDS) amounted to ₹124.27 million. As a result of the above, our net cash flows used in operating activities was ₹(453.15) million in Financial Year 2023.

In the six months ended September 30, 2023, we had an operating profit before working capital changes amounting to ₹570.72 million. The movement in working capital primarily consist of increases in (i) trade receivables of ₹981.47 million, (ii) inventories of ₹344.33 million and (iii) other current assets of ₹69.07 million, which was partially offset by increases in other financial liabilities of ₹121.14 million. Our spendings towards working capital changes also include the amount of working capital attributable to our newly acquired entity during the year. The income tax paid (including advance tax & TDS) amounted to ₹48.60 million. As a result of the above, our net cash flows used in operating activities was ₹(827.21) million in the six months ended September 30, 2023.

#### *Net cash flow used in investing activities*

Net cash flow used in investing activities was ₹308.69 million in Financial Year 2021, primarily consisting of investment in bank deposits of ₹228.48 million, and partially offset by interest received of ₹26.07 million.

Net cash flow used in investing activities was ₹1,617.32 million in Financial Year 2022, primarily consisting of purchase consideration on acquisition of business / subsidiary of ₹1,469.24 million, and partially offset by interest received of ₹34.39 million.

Net cash flow used in investing activities was ₹485.95 million in Financial Year 2023, primarily consisting of purchase consideration on acquisition of business / subsidiary of ₹245.74 million and investment in bank deposits of ₹225.92 million, and partially offset by interest received of ₹40.90 million.

Net cash flow used in investing activities was ₹188.81 million in the six months ended September 30, 2023, primarily consisting of purchase consideration on acquisition of business / subsidiary of ₹232.74 million, and partially offset by interest received of ₹30.84 million.

#### *Net cash flow from financing activities*

Net cash flow from financing activities was ₹887.13 million in Financial Year 2021, primarily consisting of proceeds from issuance of convertible preference shares of ₹784.00 million and proceeds from borrowings of ₹352.34 million. This was partially offset by interest paid aggregating to ₹148.28 million, interest paid on lease aggregating to ₹58.61 million and principal paid on lease liabilities aggregating to ₹42.32 million.

Net cash flow from financing activities was ₹2,111.92 million in Financial Year 2022, primarily consisting of proceeds from borrowings of ₹1,433.25 million and proceeds from issuance of convertible preference shares of ₹1,018.78 million. This was partially offset by interest paid aggregating to ₹228.14 million, principal paid on lease liabilities aggregating to ₹87.83 million and interest paid on lease aggregating to ₹61.64 million.

Net cash flow from financing activities was ₹727.64 million in Financial Year 2023, primarily consisting of proceeds from borrowings of ₹884.87 million and proceeds from issuance of convertible preference shares of ₹446.24 million. This was partially offset by interest paid aggregating to ₹424.35 million, principal paid on lease liabilities aggregating to ₹116.37 million and interest paid on lease aggregating to ₹65.37 million.

Net cash flow from financing activities was ₹1,270.91 million in the six months ended September 30, 2023, primarily consisting of proceeds from borrowings of ₹1,153.53 million and proceeds from issuance of convertible preference shares of ₹509.85 million. This was partially offset by interest paid aggregating to ₹295.64 million, principal paid on lease liabilities aggregating to ₹67.64 million and interest paid on lease aggregating to ₹29.19 million.

#### **Indebtedness**

As of September 30, 2023, we had total borrowings (excluding current maturities of long term borrowings) amounting to ₹4,886.76 million on a consolidated basis. For further details related to our indebtedness, see “**Financial Indebtedness**” beginning on page 466.

#### **Capital and other commitments**

The following table sets forth a summary of the maturity profile of our contractual obligations as of September 30, 2023:

Particulars	Payment due by period			
	One year or less	One to five years	More than five years	Total
Lease liabilities	224.64	644.79	127.26	996.69
Borrowings	3,752.01	1,134.76	-	4,886.77
Trade Payables	2,248.64	-	-	2,248.64
Other Financial Liabilities	396.98	-	-	396.98
<b>Total</b>	<b>6,622.28</b>	<b>1,779.54</b>	<b>127.26</b>	<b>8,529.08</b>

(₹ in millions)

#### **Capital Expenditure**

For the Financial Years 2021, 2022 and 2023, and the six months ended September 30, 2022 and 2023, our capital expenditure was ₹163.95 million, ₹268.66 million, ₹160.56 million, ₹90.33 million and ₹51.86 million respectively, primarily towards right of use assets, computer software, computer and peripherals, furniture and fixtures, office equipment and electrical installations. Our expected capital expenditure for Financial Year 2024 is ₹120 million, primarily towards computer software, computer and peripherals, furniture and fixtures, office equipment and electrical installations.

### Contingent liabilities and commitments

The following table sets forth our contingent liabilities and commitments as of September 30, 2023:

Nature of Contingent Liability and Commitments	As at September 30, 2023
	(₹ in millions)
Claims not acknowledged as debts:	
(iii) Income tax	2.07
(iv) Indirect tax	0.77
Bank guarantees	0.12

### Non-GAAP Measures – EBITDA and Adjusted EBITDA

We believe that the presentation of certain non-GAAP measures provides useful information to prospective investors regarding the performance and trends related to our results of operations. Accordingly, we believe that when non-GAAP financial information is viewed with Ind AS financial information, prospective investors are provided with a more meaningful understanding of our ongoing operating performance and financial results. However, these financial measures are not measures determined based on Ind AS, IFRS or any other internationally accepted accounting principles, and prospective investors should not consider such items as an alternative to the historical financial results or other indicators of our cash flow based on Ind AS. The non-GAAP financial measures included herein, may not be directly comparable with metrics bearing similar names as presented by other entities due to differences in the way such non-GAAP financial measures are calculated.

#### *Earnings before interest costs, taxes, depreciation and amortization*

EBITDA is a supplemental measure of performance that is not required by, nor presented in accordance with, Ind AS or IFRS. EBITDA is not a measurement of financial performance or liquidity under Ind AS, IFRS or any other internationally accepted accounting principles, and should not be considered as an alternative to profit or any other performance measures derived in accordance with Ind AS, nor as an alternative to cash flow from operating activities as a measure of liquidity. In addition, EBITDA is not a standardized term, hence, a direct comparison between companies using this term may not be possible. EBITDA is presented because we believe that it is frequently used by securities analysts, investors and other interested parties in evaluating companies.

The following tables present the reconciliation of EBITDA and Adjusted EBITDA to profit for the year:

Particulars	For the six months ended September 30,		For the Financial Year		
	2023	2022	2023	2022	2021
	(₹ in millions)		(₹ in millions)		
Restated profit before tax for the year (I)	136.72	(71.54)	(36.88)	(198.11)	(108.38)
Add:					
Finance Costs (II)	322.91	230.27	489.72	289.78	200.38
Depreciation and amortization expenses (III)	118.79	116.27	242.37	197.54	162.76
Less:					
Other income (IV)	(34.76)	(24.71)	(55.14)	(44.83)	(39.31)
<b>EBITDA (V=I+II+III-IV)</b>	<b>543.66</b>	<b>250.28</b>	<b>640.07</b>	<b>244.38</b>	<b>215.45</b>
Adjustments for:					

Particulars	For the six months ended September 30,		For the Financial Year		
	2023	2022	2023	2022	2021
	(₹ in millions)		(₹ in millions)		
EBITDA of scaled down ancillary business <sup>(a)</sup> (VI)	12.50	60.55	105.31	149.54	10.12
Provision for inventory <sup>(b)</sup> (VII)	-	-	-	116.59	301.48
<b>Adjusted EBITDA (VIII=V+VI+VII)</b>	<b>556.16</b>	<b>310.83</b>	<b>745.38</b>	<b>510.51</b>	<b>527.05</b>

**Notes:**

- a) Our management is gradually scaling down on our generic medicine business branded under “Curever”, due to significant external competition and pricing pressure. Further, as our generic medicine business is not expected to contribute significantly to our financial results going forward, the EBITDA of the Curever business for the respective years has been adjusted for the purposes of calculating our Adjusted EBITDA.
- b) During the period of the COVID-19 pandemic in 2020 and 2021, we procured a significant amount of inventory of sanitizers, personal protective equipment kits, masks and infrared thermometers in anticipation of more waves of COVID-19 and emergencies thereafter. However, as the impact of COVID-19 subsided from late 2022 onwards, the demand for these inventories also reduced. As a result, these have been brought down to their new realisable values and presented as adjustments to our EBITDA, as we are gradually phasing out trading of these products.

**Pro Forma Financials**

Pro forma adjusted EBITDA and Pro forma adjusted EBITDA margin are non-GAAP financial measures that are calculated as the sum of the adjusted EBITDA of our Company (“**Entero Group**”) and the impact of the acquisitions of the trading of pharma products businesses of RS Enterprises (Bangalore) Private Limited (“**RS Enterprises**”) and Dhanvanthri Speciality Pharma Private Limited (“**Dhanvantri**”). For details, see “**Pro Forma Financial Information**” beginning on page 397.

The table below sets forth the summary of Pro forma adjusted EBITDA and Pro forma adjusted EBITDA margin for the year ended March 31, 2023 and for the six months ended September 30, 2023:

Particulars	For the Financial Year 2023				
	Adjusted EBITDA of Entero Group	RS Enterprises	Dhanvantri	Pro Forma Adjustments	Adjusted EBITDA with Acquisitions and Pro Forma adjustments
	(A)	(B)	(C)	(D)	(E) = (A) + (B) + (C) + (D)
	(₹ in millions)				
Restated profit before tax for the year (I)	(36.88)	53.32	49.48	(30.15)	35.77
Add:					
Finance costs (II)	489.72	0.42	0.48	30.15	520.77
Depreciation and amortization expenses (III)	242.37	1.31	0.18	-	243.86
Less:					
Other income (IV)	55.14	0.19	0.05	-	55.38
<b>EBITDA (V=I+II+III-IV)</b>	<b>640.07</b>	<b>54.86</b>	<b>50.09</b>	<b>-</b>	<b>745.02</b>
Adjustments for:					
EBITDA of scaled down ancillary business <sup>(a)</sup> (VI)	105.31	-	-	-	105.31
<b>Adjusted EBITDA (VII=V+VI)</b>	<b>745.38</b>	<b>54.86</b>	<b>50.09</b>	<b>-</b>	<b>850.33</b>
<b>Adjusted EBITDA margin (% to Revenue from Operations)</b>	<b>2.26%</b>	<b>5.08%</b>	<b>4.07%</b>	<b>0.00%</b>	<b>2.41%</b>

**Notes:**

- a) Our management is gradually scaling down on our generic medicine business branded under “Curever”, due to significant external competition and pricing pressure. Further, as our generic medicine business is not expected to contribute significantly to our financial

results going forward, the EBITDA of the Curever business for the respective years has been adjusted for the purposes of calculating our Adjusted EBITDA.

Particulars	For the six months ended September 30, 2023					
	Adjusted EBITDA of Entero Group	R.S. Enterprises	Entero R.S. Enterprise Private Limited (up to date of acquisition)	Dhanvantri	Pro Forma Adjustments	Adjusted EBITDA with Acquisitions and Pro Forma adjustments
	(A)	(B)	(C)	(D)	(E)	(E) = (A) + (B) + (C) + (D)
	(₹ in millions)					
Restated profit before tax for the year (I)	136.72	16.05	12.72	26.11	(10.56)	181.04
Add:						
Finance costs (II)	322.91	0.14	0.22	1.13	10.56	334.96
Depreciation and amortization expenses (III)	118.79	-	0.68	0.09	-	119.56
Less:						
Other income (IV)	34.76	0.43		-	-	35.19
<b>EBITDA (V=I+II+III-IV)</b>	<b>543.66</b>	<b>15.76</b>	<b>13.62</b>	<b>27.33</b>	<b>-</b>	<b>600.37</b>
Adjustments for:						
EBITDA of scaled down ancillary business <sup>(a)</sup> (VI)	12.50		-	-	-	12.50
<b>Adjusted EBITDA (VII=V+VI)</b>	<b>556.16</b>	<b>15.76</b>	<b>13.62</b>	<b>27.33</b>	<b>-</b>	<b>612.87</b>
<b>Adjusted EBITDA margin (% to Revenue from Operations)</b>	<b>2.93%</b>	<b>5.77%</b>	<b>6.46%</b>	<b>3.93%</b>	<b>0.00%</b>	<b>3.04%</b>

**Notes:**

- a) Our management is gradually scaling down on our generic medicine business branded under “Curever”, due to significant external competition and pricing pressure. Further, as our generic medicine business is not expected to contribute significantly to our financial results going forward, the EBITDA of the Curever business for the respective years has been adjusted for the purposes of calculating our Adjusted EBITDA.

**Off-balance sheet commitments and arrangements**

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

**Related party transactions**

We have engaged in the past, and may engage in the future, in transactions with related parties. For details of our related party transactions, see “*Other Financial Information — Related Party Transactions*” on page 396.

**Quantitative and qualitative analysis of market risks**

We are exposed to various types of risks during the ordinary course of business. The risks we are exposed to include credit risk, liquidity risk and market risk.

*Credit risk*

Credit risk is the risk of financial loss to us if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and which arises principally from our trade and other receivables. We are exposed to credit risk from the carrying amounts of financial assets. We monitor our exposure to credit risk on an ongoing

basis through credit approvals, establishing credit limits and monitoring the creditworthiness of the customers which we grant credit terms in the normal course of business.

#### *Liquidity risk*

Liquidity risk is the risk that we will encounter difficulties in meeting the obligations associated with our financial liabilities that are settled by paying cash or another financial asset. Our approach to managing liquidity is to ensure, as far as possible, that we will have sufficient liquidity to meet our liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking any damage to our reputation. Our management oversees and monitors rolling forecasts of our liquidity position and cash and cash equivalents based on expected cash flows.

#### *Market risk*

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect our income or value of our holdings of financial instrument.

#### Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Our exposure to the risk of changes in foreign exchange rates is not material because we derive substantially all of our revenue domestically in India, and therefore most of our transactions are denominated in Indian Rupees.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at March 31, 2021, March 31, 2022 and March 31, 2023, and the six months ended September 30, 2022 and 2023, our variable rate borrowings (excluding current maturities of long term borrowings) amounted to ₹1,408.53 million, ₹2,840.92 million, ₹3,322.05 million, ₹3,645.04 million and ₹ 3,606.32 million, respectively.

#### **Unusual or infrequent events or transactions**

Except as disclosed in this Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

#### **Known trends or uncertainties**

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in “— *Significant Factors Affecting Our Results of Operations*” and the uncertainties described in “*Risk Factors*”, beginning on pages 434 and 39, respectively. Except as disclosed in this Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

#### **Supplier or Customer Concentration**

We do not depend on a limited number of suppliers or customers for our revenues and operations.

#### **New Products or Business Segments**

Except as disclosed in this Prospectus, including as described in “*Our Business*” beginning on page 180, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

#### **Seasonality**

Our business is not subject to seasonal variations.

### **Competitive conditions**

Although the Indian pharmaceutical distribution market remains very fragmented with traditional local distributors dominating the market with a market share of 90% to 92% (Source: *CRISIL Report*), the development of the industry could present a highly competitive global environment with strong competition from other distributors, service merchandisers, self-warehousing chain drug stores, manufacturers engaged in direct distribution and third-party logistics companies. For further details, see “**Risk Factors — Internal Risk Factors — We might be adversely impacted by competition and industry consolidation.**” on page 54.

### **Future relationship between cost and income**

Other than as described in “**Risk Factors**”, “**Our Business**” and above in “ — **Significant Factors Affecting our Results of Operations**” beginning on pages 39, 180, and 434, respectively, to our knowledge, there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

### **Significant Developments after September 30, 2023**

On January 27, 2024, we allotted 19,476,312 Equity Shares pursuant to the conversion of A1, A2, A3, A4, and A5 CCPS to Equity Shares. For further details, please see “*Capital Structure*” on page 93 of this Prospectus.

Except as set out in this Prospectus, to our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this Prospectus which materially or adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.



## CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at September 30, 2023, as derived from our Restated Consolidated Financial Information. This table should be read in conjunction with the sections titled "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Financial Information – Restated Consolidated Financial Information" and "Risk Factors" beginning on pages 429, 279, and 39, respectively.

Particulars	Pre-offer as at September 30, 2023 (in ₹ million)	As adjusted for the Offer <sup>#</sup> (in ₹ million)
<b>Borrowings<sup>4</sup></b>		
Borrowings (Non-current liabilities) (I)	1,134.76	1,134.76
Current maturities of long-term borrowings (II)	8.00	8.00
Borrowings (Current liabilities) (III)	3,752.01	3,752.01
<b>Total borrowings (IV = I + II + III)</b>	<b>4,894.77</b>	<b>4,894.77</b>
<b>Equity</b>		
Equity share capital (V) <sup>2,3</sup>	160.67	434.99
Instruments entirely equity in nature (VI) <sup>2,3</sup>	7,026.43	-
Other Equity (VII) <sup>2,3</sup>	(610.75)	16,141.36*
Non-Controlling Interest (VIII) <sup>4</sup>	29.13	29.13
<b>Total Equity (IX = V + VI + VII + VIII)</b>	<b>6,605.48</b>	<b>16,605.48</b>
<b>Non-current borrowings + current maturities of long-term borrowings/Total Equity (X=I+II/IX)</b>	0.17	0.07
<b>Total borrowings/ Total Equity (XI = IV/IX)</b>	0.74	0.29

### Notes:

<sup>#</sup>Subject to finalisation of Basis of Allotment

<sup>\*</sup>Other equity as adjusted for the Offer includes securities premium which has not been adjusted for Offer-related expenses and calculated assuming full subscription in the Employee Reservation Portion.

1) The above has been computed on the basis of amounts derived from the restated consolidated statement of assets and liabilities of the Company as on September 30, 2023.

2) The outstanding CCPS were converted into Equity Shares on January 27, 2024, prior to filing of this Prospectus with the RoC.

3) Changes in "Equity share capital" and "Other equity" is on account of conversion of CCPS into equity shares. CCPS have been converted into 19,476,312 equity shares of face value of Rs 10 each that aggregates into Equity share capital of Rs 194.76 million and Securities premium of Rs 6831.67 million.

Proceeds from fresh issue of 7,955,769 equity shares of face value of Rs 10 each that aggregate into Equity share capital of Rs 79.56 million and Securities premium of Rs 9,920.44 million (at Rs 1248 per share). The Fresh issue also includes 70,237 shares reserved for eligible employees at face value of Rs 10 per share and securities premium of Rs 1,129 (after discount of Rs 119 per share).

The total proceeds from fresh issue aggregate to Rs 10,000 million (comprising Equity share capital of Rs 79.56 million and Securities premium of Rs 9,920.44 million).

4) The impact of events subsequent to September 30, 2023 has not been taken into account for the above disclosure of information. Further, the debt has not been adjusted for any changes to the borrowings including additional borrowings and repayments, if any, post September 30, 2023.

## FINANCIAL INDEBTEDNESS

Our Company and Subsidiaries have entered into financing arrangements with various lenders in the ordinary course of business including borrowings. For details regarding the borrowing powers of our Board, see “*Our Management – Borrowing Powers of Board*” and “*Risk Factors*” on pages 257 and 39. For details in relation to risks related to our indebtedness, see “*Risk Factors - Our operations are subject to high working capital requirements, and have incurred substantial indebtedness. Our inability to maintain an optimal level of working capital or financing required may impact our operations and profitability adversely*” and “*Risk Factors - Our lenders have imposed certain restrictive conditions on us under our financing arrangements, which may adversely affect our ability to conduct our business and impair our future growth plans*” on pages 44 and 43 respectively.

As on November 30, 2023, September 30, 2023, September 30, 2022, March 31, 2023, March 31, 2022, March 31, 2021, the aggregated outstanding borrowings of our Company and Subsidiaries amounted to ₹ 5,074.24 million, ₹ 4,894.77 million, ₹ 3,675.07 million, ₹ 3,743.15 million, ₹ 2,850.28 million and ₹ 1,417.23 million respectively on a consolidated basis. The details of the indebtedness of our Company and our Subsidiaries as on November 30, 2023, are provided in the table below:

*(in ₹ million, unless otherwise specified)*

Category of borrowing	Sanctioned amount as on November 30, 2023	Outstanding amount as on November 30, 2023
<b>Secured (A)</b>		
Fund Based Working Capital Facilities	3,907.00	3,448.93
Term Loan	727.50	710.83
Non-Convertible Debentures (NCD)	900.00	900.00
<b>Total (A)</b>	<b>5,534.50</b>	<b>5,059.76</b>
<b>Unsecured (B)</b>		
Loan from Related Party	NA	14.48
<b>Total (B)</b>	-	14.48
<b>Total (A+B)</b>	<b>5,534.50</b>	<b>5,074.24</b>

*Note: In addition to the table mentioned above, there are Bank Guarantees with a sanctioned amount of ₹ 170.00 million and outstanding amount of ₹ 117.54 million.*

*\*As certified by N B T & Co, Chartered Accountants (Firm Registration Number: 140489W), pursuant to their certificate dated February 5, 2024.*

The details of the indebtedness of our Company and our Subsidiaries for the six months ended September 30, 2023, and September 30, 2022, and the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021, are provided below:

For six months ended September 30, 2023:

Bank Name	Type of Loan	Date of Sanction	Opening balance	Amount Availed	Amount Repaid	Closing balance
HDFC	Cash Credit	20 August 2018	431.05	17.15	-	448.20
RBL	Cash Credit	30 September 2021	211.81	13.11	-	224.92
Axis	Cash Credit	24 December 2019	330.86	25.84	-	356.70
Axis	Cash Credit	24 December 2019	38.10	-	0.49	37.61
Axis	Cash Credit	24 December 2019	126.59	-	10.46	116.13
IndusInd	Cash Credit	26 October 2018	165.29	53.29	-	218.58
IndusInd	Cash Credit	24 December 2018	112.86	17.60	-	130.46
IndusInd	Cash Credit	11 June 2019	53.99	31.46	-	85.45
ICICI	Cash Credit	19 March 2020	20.56	-	20.56	-
ICICI	Cash Credit	27 April 2020	104.29	49.39	-	153.68
IDFC	Cash Credit	22 March 2021	99.77	-	99.77	-
HSBC	WCDL	27 June 2023		100.00	-	100.00

IDFC	Cash Credit	22 March 2021	76.83	-	76.83	-
HSBC	WCDL	27 June 2023		75.00	-	75.00
Tata	Term loan and WCDL	31 December 2022	97.00	-	4.00	93.00
HDFC	Cash Credit	28 May 2021	39.61	2.16	-	41.77
IDFC	Cash Credit	22 March 2021	55.34	-	55.34	-
HSBC	WCDL	27 June 2023		75.00	-	75.00
ICICI	Cash Credit	10 June 2020	91.63	11.52	-	103.15
ICICI	Cash Credit	18 June 2021	67.55	19.00	-	86.55
Axis	Cash Credit	12 November 2020	132.97	-	12.53	120.44
Piramal	Term Loan	14 March 2022	158.64	-	158.64	-
Piramal	Term Loan	11 March 2022	228.84	29.69	-	258.53
ICICI	Cash Credit	27 May 2020	121.47	22.44	-	143.91
Vivriti	WCDL	20 June 2023	-	50.00	-	50.00
Vivriti	WCDL	20 June 2023	-	50.00	-	50.00
Tata	WCDL	05 July 2023	-	30.00	-	30.00
Tata	WCDL	05 July 2023	-	20.00	-	20.00
Tata	WCDL	05 July 2023	-	50.00	-	50.00
Vivriti*	Term Loan	December'22	250.00	37.50	-	287.50
Patni*	Term Loan	17 March 2023	350.00	-	-	350.00
Hero Fincorp*	Term Loan	07 June 2022	315.00	-	315.00	-
Truenorth*	NCD	31 March 2023	-	448.09	-	448.09
Truenorth/Increased*	NCD	14 June 2023		450.00	-	450.00
Indusind	Cash Credit	19 July 2023	-	257.75	-	257.75
	<b>Total</b>	<b>915.00</b>	<b>1193.34</b>	<b>315.00</b>	<b>1793.34</b>	<b>915.00</b>

\*Availed by our Company

For six months ended September 30, 2022:

Bank Name	Type of Loan	Date of Sanction	Opening balance	Amount Availed	Amount Repaid	Closing balance
HDFC	Cash Credit	20 August 2018	433.44	-	4.76	428.68
IndusInd	Cash Credit	7 October 2019	76.74	33.78	-	110.52
Axis	Cash Credit	24 December 2019	250.28	57.22	-	307.50
Axis	Cash Credit	24 December 2019	17.23	8.86	-	26.09
Axis	Cash Credit	24 December 2019	84.29	9.42	-	93.71
IndusInd	Cash Credit	26 October 2018	189.16	-	50.47	138.69
RBL	Cash Credit	30 September 2021	-	88.68	-	88.68
IndusInd	Cash Credit	24 December 2018	72.65	10.95	-	83.60
IndusInd	Cash Credit	11 June 2019	39.48	13.26	-	52.74
ICICI	Cash Credit	19 March 2020	21.16	-	5.30	15.86
ICICI	Cash Credit	27 April 2020	84.01	25.35	-	109.36
IDFC	Cash Credit	22 March 2021	80.26	41.29	-	121.55
IDFC	Cash Credit	22 March 2021	61.11	21.07	-	82.18
HDFC	Cash Credit	28 May 2021	34.61	0.89	-	35.50
IDFC	Cash Credit	22 March 2021	48.03	14.98	-	63.01
ICICI	Cash Credit	10 June 2020	85.55	0.42	-	85.97
ICICI	Cash Credit	18 June 2021	22.89	31.61	-	54.50
Axis	Cash Credit	12 November 2020	59.42	40.47	-	99.89

Piramal	Term Loan	14 March 2022	226.62	0.00	-	226.62
Piramal	Term Loan	11 March 2022	303.64	23.27	-	326.91
ICICI	Cash Credit	27 May 2020	128.55	1.27	-	129.82
Vivriti	Term Loan	2 February 2022	200.00	-	-	200.00
Vivriti*	Term Loan	June'22	300.00	-	-	300.00
Hero Fincorp*	Term Loan	7 June 2022	-	450.00	-	450.00
IDFC	Cash credit	29 June 2020	21.79	-	8.14	13.65
	<b>Total</b>		<b>2,840.91</b>	<b>872.79</b>	<b>68.66</b>	<b>3,645.04</b>

\*Availed by our Company

For Fiscal 2023

Bank Name	Type of Loan	Date of Sanction	Opening balance	Amount Availed	Amount Repaid	Closing balance
HDFC	Cash credit	20 August 2018	433.44	-	2.39	431.05
IndusInd	Cash credit	07 October 2019	76.74	52.91	-	129.65
RBL	Cash credit	30 September 2021	-	82.16	-	82.16
Axis	Cash credit	24 December 2019	250.28	80.58	-	330.86
Axis	Cash credit	24 December 2019	17.23	20.87	-	38.10
Axis	Cash credit	24 December 2019	84.29	42.30	-	126.59
IndusInd	Cash credit	26 October 2018	189.16	-	90.02	99.14
RBL	Cash credit	30 September 2021	-	66.15	-	66.15
IndusInd	Cash credit	24 December 2018	72.65	0.59	-	73.24
RBL	Cash credit	30 September 2021	-	39.62	-	39.62
IndusInd	Cash credit	11 June 2019	39.48	14.51	-	53.99
ICICI	Cash credit	19 March 2020	21.16	-	0.60	20.56
ICICI	Cash credit	27 April 2020	84.01	20.28	-	104.29
IDFC	Cash credit	22 March 2021	80.26	19.51	-	99.77
IDFC	Cash credit	22 March 2021	61.11	15.72	-	76.83
Tata	Term Loan and WCDL	31 December 2022	-	97.00	-	97.00
HDFC	Cash credit	28 May 2021	34.61	5.00	-	39.61
IDFC	Cash credit	22 March 2021	48.03	7.31	-	55.34
ICICI	Cash credit	10 June 2020	85.55	6.08	-	91.63
ICICI	Cash credit	18 June 2021	22.89	44.66	-	67.55
Axis	Cash credit	12 November 2020	59.42	73.55	-	132.97
Piramal	Term Loan	14 March 2022	226.62	-	67.98	158.64
Piramal	Term Loan	11 March 2022	303.64	-	74.80	228.84
ICICI	Cash credit	27 May 2020	128.55	-	7.08	121.47
Vivriti	Term Loan	02 February 2022	200.00	-	200.00	-
Vivriti	Term Loan*	June'22	300.00	-	50.00	250.00
Patni	Term Loan*	17 March 2023	-	350.00	-	350.00
Hero Fincorp	Term Loan*	07 June 2022	-	315.00	-	315.00
IDFC	Cash credit*	29 June 2020	21.79	-	21.79	-
	<b>Total</b>		<b>2,840.91</b>	<b>1,353.80</b>	<b>514.66</b>	<b>3,680.05</b>

\*Availed by our Company

For Fiscal 2022:

Bank Name	Type of Loan	Date of Sanction	Opening balance	Amount Aailed	Amount Repaid	Closing balance
HDFC	Cash Credit	20 August 2018	351.61	81.83	-	433.44
IndusInd	Cash Credit	07 October 2019	87.11	-	10.37	76.74
Axis	Cash Credit	24 December 2019	246.48	3.80	-	250.28
Axis	Cash Credit	24 December 2019	18.12	-	0.89	17.23
Axis	Cash Credit	24 December 2019	96.83	-	12.54	84.29
IndusInd	Cash Credit	26 October 2018	106.35	82.81	-	189.16
IndusInd	Cash Credit	24 December 2018	73.25	-	0.60	72.65
IndusInd	Cash Credit	11 June 2019	39.29	0.19	-	39.48
ICICI	Cash Credit	19 March 2020	27.74	-	6.58	21.16
ICICI	Cash Credit	27 April 2020	83.85	0.16	-	84.01
IDFC	Cash Credit	22 March 2021	-	80.26	-	80.26
IDFC	Cash Credit	22 March 2021	-	61.11	-	61.11
HDFC	Cash Credit	28 May 2021	-	34.61	-	34.61
IDFC	Cash Credit	22 March 2021	-	48.03	-	48.03
ICICI	Cash Credit	10 June 2020	68.07	17.48	-	85.55
ICICI	Cash Credit	18 June 2021	-	22.89	-	22.89
Axis	Cash Credit	12 November 2020	99.86	-	40.44	59.42
Piramal	Term loan	14 March 2022	-	226.62	-	226.62
Piramal	Term loan	11 March 2022	-	303.64	-	303.64
ICICI	Cash Credit	27 May 2020	84.46	44.09	-	128.55
Vivriti	Term loan	02 February 2022	-	200.00	-	200.00
Vivriti*	Term loan	June'21	-	300.00	-	300.00
IDFC	Cash Credit	29 June 2020	25.50	-	3.71	21.79
	<b>Total</b>		<b>1,408.53</b>	<b>1,507.52</b>	<b>75.14</b>	<b>2,840.91</b>

\*Avalied by our Company.

For Fiscal 2021:

Bank Name	Type of Loan	Date of Sanction	Opening balance	Amount Aailed	Amount Repaid	Closing balance
HDFC	Cash Credit	20 August 2018	421.06	-	69.45	351.61
IndusInd	Cash Credit	7 October 2019	37.10	50.01	-	87.11
Axis	Cash Credit	24 December 2019	241.41	5.07	-	246.48
Axis	Cash Credit	24 December 2019	26.78	-	8.66	18.12
Axis	Cash Credit	24 December 2019	116.15	-	19.32	96.83
IndusInd	Cash Credit	26 October 2018	115.72	-	9.36	106.35
IndusInd	Cash Credit	24 December 2018	70.05	3.20	-	73.25
IndusInd	Cash Credit	11 June 2019	27.95	11.34	-	39.29
ICICI	Cash Credit	19 March 2020	-	27.74	-	27.74
ICICI	Cash Credit	27 April 2020	-	83.85	-	83.85
ICICI	Cash Credit	10 June 2020	-	68.07	-	68.07
Axis	Cash Credit	12 November 2020	-	99.86	-	99.86
ICICI	Cash Credit	27 May 2020	-	84.46	-	84.46
IDFC	Cash Credit	29 June 2020	25.50	-	-	25.50

	<b>Total</b>		<b>1,056.22</b>	<b>459.11</b>	<b>106.80</b>	<b>1,408.53</b>
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We further confirm that no other key covenants, other than as disclosed below under the section titled “*Financial Indebtedness – Principal terms of borrowings availed by us*”, are applicable on the Company and its Subsidiaries.

**Principal terms of the borrowings availed by us:**

The details provided below are indicative, and there may be additional terms, conditions and requirements under various documentation executed by our Company and Subsidiaries in relation to our indebtedness.

1. **Tenor:** The tenor of the term loans availed by our Company and our Subsidiaries is typically between 12 months to 5 years, the tenor of the bank guarantee availed by one of our Subsidiaries is 48 months and working capital facilities availed by our Company and Subsidiaries is typically 90 days to 12 months.
2. **Interest rate:** In terms of the facilities availed by our Company and our Subsidiaries, the interest rate typically comprises a base rate plus applicable margin of the specified lender, ranging from 8.65% per annum to 16.00% per annum.
3. **Pre-payment penalty:** If our Company or its Subsidiaries choose to pay some or all of the outstanding amount to the lender before its due date, some of our loan agreements may require us to pay a pre-payment penalty of up to 5.00% of the amount paid before it is due.
4. **Security:** In terms of the borrowings by the Company and its Subsidiaries where security needs to be created, security is created by way of, among other things,
  - (a) First pari passu charge on the current assets and receivables of the Company;
  - (b) First pari passu charge on the movable fixed assets of the Company;
  - (c) First pari passu charge by way of hypothecation on intangible assets and bank accounts and reserves of the Company;
  - (d) Bank facilities availed by our Subsidiaries are secured by corporate guarantees of the Company;
  - (e) Bank facilities availed by our Subsidiaries are secured by exclusive charge on the current assets (present and future) of our Subsidiaries
  - (f) Certain bank facilities availed by our Company and Subsidiaries are secured by pledge of equity shares of our Subsidiaries held by the Company.
  - (g) Certain bank facilities availed by our Subsidiaries are secured by way of lien over fixed deposits held by the Company
  - (h) Exclusive charge on moveable fixed assets of our Subsidiaries (present and future)

This is an indicative list and there may be additional requirements for creation of security under the various borrowing arrangements entered into by our Company and certain of our Subsidiaries.

5. **Validity and Repayment:** Our facilities are typically repayable on demand with an option for annual review for each of the sub-limits and there may exist certain exclusive provisions of repayment for each of the sub-limits, subject to the facility documentation for each lender. The term loans availed by our Subsidiaries is typically repayable in tranches over 12 months to 5 years.
6. **Restrictive Covenants:** Our financing arrangements entail various conditions and covenants restricting certain corporate actions and we are required to take prior approval of the lender before carrying out such activities, without which, it would result in an event of default under the financing arrangements. For instance, certain actions prior to which our Company is required to obtain written consent of the lenders before carrying out such activities, including, among others, for:

- (a) Effectuating any change in our capital structure, ownership or shareholding pattern including transfer or issue of shares and in the management control of our Company or our Subsidiaries.
- (b) Entering into any scheme of merger, amalgamation, de-merger, re-arrangement, compromise or reconstruction by our Company or our Subsidiaries or investing in third parties.
- (c) Undertaking any expansion or further capital expenditure except being funded by our Company's own resources.
- (d) Entering any borrowing arrangement with any other bank or financial institution or giving any guarantee on behalf of any other company which increases our borrowing above limits stipulated by our lenders.
- (e) Diversifying into non-core areas, that is, business other than the current business of our Company and its Subsidiaries.
- (f) Making any changes in the Memorandum of Association and Articles of Association our Company and its Subsidiaries.
- (g) Selling, assigning, mortgaging or disposing off any fixed assets of our Company or its Subsidiaries.
- (h) Prepayment of loans prior to scheduled date of repayment by our Company and its Subsidiaries.

This is an indicative list and there may be additional restrictive conditions and covenants under the various borrowing arrangements entered into by our Company and certain of our Subsidiaries.

7. ***Events of default:*** Borrowing arrangements entered into by our Company and our Subsidiaries respectively, contain certain events, the occurrence of which, will constitute an event of default, including:

- (a) All or any part of the facility is not utilized for the relevant purpose for which it is sanctioned.
- (b) The occurrence of one or more events, conditions or circumstances which in the reasonable opinion of the lender, could have a material adverse effect on our Company, assets or the security created.
- (c) The representations made by our Company being found to be untrue in any manner, whatsoever.
- (d) Any corporation action (including the passing of a resolution), legal or insolvency proceedings or any other procedure or step taken in relation to bankruptcy, insolvency, restructuring, etc of our Company.
- (e) Cessation to carry on its business or any material part of the business or gives notice of its intention to do so.
- (f) Breach of any provisions, or failure to fulfil any obligations, undertakings, covenant (including financial covenants) under any facility document or any other document entered into in relation thereto, of or by the borrower or any security provider (if any).
- (g) If the credit facility or any part thereof is used for any purpose other than for which the said credit facility was sanctioned.
- (h) Any change in control or shareholding of our Company without the prior consent of the lenders.
- (i) The providing of the facility is no longer in accordance with applicable laws.

This is an indicative list and there may be additional events that might constitute an event of default under the various borrowing arrangements entered into by our Company and certain of our Subsidiaries

8. ***Consequences of occurrence of events of default:*** In terms of the loan facility, upon the occurrence of events of default, the lenders of our Company and our Subsidiaries may:
- (a) Declare that any amount outstanding under or in relation to the facility (whether principal, interest or other sum and whether or not then due) be immediately payable on demand within such time period as specified by the lender;
  - (b) Enforce any/all security provided to the lenders in terms of the facility documents including by invoking the guarantee(s) if any furnished;
  - (c) Cancel the undisbursed portion of the facility;
  - (d) Appoint nominee directors/observers on the board of directors of the Company;
  - (e) Impose penal interest over and above the contracted rate on the amount in default;
  - (f) Declare the commitments to be cancelled or suspended and/or place the facilities on demand or declare all amounts payable by the Company in respect of the facilities to be due and payable immediately;
  - (g) Exercise any other rights/remedies available to the lender under any regulations/law or the facility documents.

This is an indicative list and there may be such other additional terms under the various borrowing arrangements entered into by our Company and certain of our Subsidiaries.

#### **Loans taken from related parties**

We have not granted or availed loans which constitute ‘related party transactions’ in terms of the Restated Consolidated Financial Information. For further details, please see “*Restated Consolidated Financial Information – Note 50 - Notes to Restated Consolidated Financial Information – Details of Related Party Transactions*” on page 349 of this Prospectus. However, the Subsidiaries of the Company have availed certain unsecured loans from their directors which constitute ‘related party transactions’ in terms of the separate audited and standalone financial statements of the Subsidiaries, details of which are disclosed below:

1. Unsecured loan availed at an interest rate of 11% per annum (repayable on demand) availed from Rohan Bhandari and Omprakash Bhandari by our subsidiary, Sri Parshva Pharma Distributors Private Limited with an outstanding amount of ₹ 0.26 million and ₹ 9.98 million respectively as of November 30, 2023. As on the date of this Prospectus, the unsecured loan availed from Rohan Bhandari is no longer outstanding.
2. Unsecured loan availed at an interest rate of 12% per annum (repayable on demand) availed from Venkata Ramana Siva Kumar Yanamadala by our subsidiary, SVMED Solutions Private Limited with outstanding amounts of ₹ 4.24 million as of November 30, 2023.

#### **Default in making payment obligations for the last three years:**

Except as disclosed in “*History and Certain Corporate Matters - Defaults or rescheduling/restructuring of borrowings from Financial Institutions/Banks*” on page 212 of this Prospectus, there has been no default by the Company or its Subsidiaries in making payment obligations in the last three years.

#### **Additional details in relation to our loan facilities:**

Below are certain additional details in relation to our loan facilities:



<b>Sr. No.</b>	<b>Name of the lender</b>	<b>Name of the borrower</b>	<b>Instance of past default in the last three years</b>	<b>Whether the facilities are secured or unsecured</b>	<b>Whether approval required from the lender in relation to the proposed IPO?</b>
1.	Axis Bank Limited	Chirag Medicare Solutions Private Limited	N/A	Secured	Yes
2.	Axis Bank Limited	Chethana Healthcare Solutions Private Limited	N/A	Secured	Yes
3.	Axis Bank Limited	Chethana Pharma Private Limited	N/A	Secured	Yes
4.	IndusInd Bank Limited	Chhabra Healthcare Solutions Private Limited	N/A	Secured	Yes
5.	ICICI Bank Limited	Jaggi Enterprises Private Limited	N/A	Secured	Yes
6.	ICICI Bank Limited	Millennium Medisolutions Private Limited	N/A	Secured	Yes
7.	Tata Capital Limited	Rada Medisolutions Private Limited	N/A	Secured	No
8.	IndusInd Bank Limited	G.S. Pharmaceutical Distributors Private Limited	N/A	Secured	Yes
9.	RBL Bank Limited	G.S. Pharmaceutical Distributors Private Limited	N/A	Secured	Yes
10.	ICICI Bank Limited	Galaxystar Pharma Distributors Private Limited	N/A	Secured	Yes
11.	HDFC Bank Limited	Novacare Healthcare Solutions Private Limited	N/A	Secured	Yes
12.	Axis Bank Limited	Avenues Pharma Distributors Private Limited	N/A	Secured	Yes
13.	IndusInd Bank Limited	Getwell Medicare Solution Private Limited	N/A	Secured	Yes
14.	RBL Bank Limited	Getwell Medicare Solution Private Limited	N/A	Secured	Yes
15.	IndusInd Bank Limited	R S M Pharma Private Limited	N/A	Secured	Yes
16.	RBL Bank Limited	R S M Pharma Private Limited	N/A	Secured	Yes
17.	HDFC Bank Limited	Barros Enterprises Private Ltd	N/A	Secured	Yes
18.	ICICI Bank Limited	Western Healthcare Solutions Private Limited	N/A	Secured	Yes
19.	HDFC Bank Limited	Sri Parshva Pharma Distributors Private Limited.	N/A	Secured	Yes
20.	Vivriti Capital Private Limited	Entero Healthcare Solutions Limited	N/A	Secured	Yes
21.	Patni Financial Advisors Private Limited	Entero Healthcare Solutions Limited	N/A	Secured	Yes
22.	True North Credit Opportunities Fund I, Incred Opportunities Fund I (Beacon Trusteeship Limited acting as trustee)	Entero Healthcare Solutions Limited	N/A	Secured	Yes
23.	Vivriti Capital Private Limited	New Siva Agencies Private Limited	N/A	Secured	Yes

<b>Sr. No.</b>	<b>Name of the lender</b>	<b>Name of the borrower</b>	<b>Instance of past default in the last three years</b>	<b>Whether the facilities are secured or unsecured</b>	<b>Whether approval required from the lender in relation to the proposed IPO?</b>
24.	Vivriti Capital Private Limited	New RRPD Private Limited	N/A	Secured	Yes
25.	The Hongkong and Shanghai Banking Corporation Limited	Vasavi Medicare Solutions Private Limited	N/A	Secured	Yes
26.	The Hongkong and Shanghai Banking Corporation Limited	Sesha Balajee Medisolutions Private Limited	N/A	Secured	Yes
27.	The Hongkong and Shanghai Banking Corporation Limited	SVMED Solutions Private Limited	N/A	Secured	Yes
28.	IndusInd Bank Limited	Sri Rama Pharmaceutical Distributors Private Limited	N/A	Secured	Yes
29.	Tata Capital Financial Services Limited	S.S. Pharma Traders Private Limited	N/A	Secured	Yes
30.	Tata Capital Financial Services Limited	Saurashtra Medisolutions Private Limited	N/A	Secured	Yes
31.	Tata Capital Financial Services Limited	SVS Lifesciences Private Limited	N/A	Secured	Yes
32.	Omprakash Bhandari	Sri Parshva Pharma Distributors Private Limited	N/A	Unsecured	No
33.	Venkata Ramana Siva Kumar Yanamadala	SVMED Solutions Private Limited	N/A	Unsecured	No
34.	Aditya Birla Finance Limited	Entero R.S. Enterprises Private Limited	N/A	Secured	No
35.	Aditya Birla Finance Limited	Dhanvanthri Super Speciality Private Limited	NA	Secured	No

As on the date of this Prospectus, we have obtained consent in relation to the proposed Offer from all lenders whose consent is required under the relevant documentation governing the loans obtained from them.

## SECTION VI – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (i) criminal proceedings; (ii) actions taken by regulatory or statutory authorities; (iii) disciplinary action including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five financial years, including outstanding action; (iv) claims related to direct and indirect taxes (disclosed in a consolidated manner), provided that if the amount involved in any such claims exceeds the materiality threshold, such matter(s) shall be disclosed on an individual basis; (v) disclosure of all pending writ petitions involving the Company and (vi) details of any other pending litigation (including civil litigation) which are determined to be material as per a policy adopted by our Board (“**Materiality Policy**”), in each case involving our Company, Promoters, Directors and Subsidiaries (“**Relevant Parties**”).

For the purpose of (vi) above, our Board in its meeting held on September 7, 2023, has considered and adopted a Materiality Policy for identification of material litigation involving the Relevant Parties and Group Companies.

In terms of the Materiality Policy, all pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against our Promoters in the last five financial years including outstanding action and tax matters, would be considered ‘material’ for the purpose of disclosure in this Prospectus:

- a) the aggregate monetary amount of claim involved, whether by or against the Relevant Parties, in any such pending litigation is in excess of ₹ 66.05 million which is 1 % of the net worth of the Company as at last audited dated covered in the Restated Consolidated Financial Information (the “**Materiality Threshold**”);
- b) pending litigations where the decision in one case is likely to affect the decision in similar cases such that the cumulative amount involved in such cases exceeds the Materiality Threshold, even though the amount involved in an individual litigation may not exceed the Materiality Threshold; or
- c) such pending litigation the outcome of which is material from the perspective of the Company’s business, operations, financial results, prospects or reputation, irrespective that the amount involved in such litigation (including any litigation under the Insolvency and Bankruptcy Code, 2016) may not meet the Materiality Threshold or that the monetary liability of such litigation is not quantifiable.

Further, pre-litigation notices (other than those issued by governmental, statutory, tax or regulatory authorities) received by the Relevant Parties shall not be considered as litigation until such time that any of the Relevant Parties, as the case may be, is made a party to proceedings initiated before any court, tribunal or governmental authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board in its meeting held on September 7, 2023, has considered and adopted a policy of materiality for identification of material outstanding dues to creditors. In terms of this policy on materiality of outstanding dues to any creditor of our Company having monetary value which exceed ₹ 112.43 million, which is 5% of the total consolidated outstanding dues (i.e., trade payables) of our Company at the end of the most recent period covered in the Restated Consolidated Financial Information of our Company included in this Prospectus, shall be considered as ‘material’. Accordingly, for the purpose of this disclosure, any outstanding dues exceeding ₹ 112.43 million as on September 30, 2023, have been considered as material outstanding dues for the purposes of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or a medium enterprise (“MSME”), the disclosure will be based on information available with our Company regarding status of the creditor under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006.

All terms defined in a particular litigation disclosure pertain to that litigation only. Unless stated to the contrary, the information provided below is as of the date of this Prospectus.

#### I. Litigation involving our Company

##### A. Outstanding criminal proceedings involving our Company

### *Criminal proceedings initiated against our Company*

Except as disclosed below, there are no outstanding criminal proceedings initiated against our Company as on the date of this Prospectus:

1. The state at the instance of Shri A.A. Raskar, Drug Inspector (Kokan division), Thane (“**Complainant**”) filed a complaint dated April 12, 2022 against our Company, our directors and promoters, Mr. Prabhat Agrawal and Mr. Prem Sethi, one of our vendors M/s Nuvo Medsurg Private Limited and Shri Naresh Goyal, Director of M/s Nuvo Medsurg Private Limited (collectively “**Accused Persons**”) before the Court of Hon’ble Judicial Magistrate First Class, 5<sup>th</sup> Court, Bhiwandi (“**Court**”) for contravention of sections 18(a)(i), 16(1)(a) and 27(d) of Drugs and Cosmetics Act, 1940 and the Drugs and Cosmetics Rules, 1945. Pursuant to inspection carried out by Complainant on the premises of our Company, samples of Safent Sterile Gauz Swab (**the “Product”**) manufactured by one of our vendors M/s Nuvo Medsurg Private Limited for sale and distribution by our Company, were drawn and sent to the government analyst for analysis. The government analyst found that the Product was not of standard quality as per the prescribed requirements under section 18(a)(i) read with section 16(1)(a) of Drugs and Cosmetics Act, 1940. Accordingly, he Complainant instructed our Company to stop the sale and distribution of the Product. Further, the Complainant in his complaint alleged that M/s Nuvo Medsurg Private Limited and Shri Naresh Goyal, Director of M/s Nuvo Medsurg Private Limited who are responsible for manufacturing of the Product and our Company, our directors and promoters, Mr. Prabhat Agrawal and Mr. Prem Sethi who are responsible for sale and distribution of the Product are liable for not complying with prescribed quality standards under section 18(a)(i) read with section 16(1)(a) of Drugs and Cosmetics Act, 1940. Further, the Complainant prayed for issuance of the process against the Accused Persons. The Court vide an order dated April 19, 2022 (“**Order**”) issued summons against the Accused Persons. Our Company and our directors and promoters, Mr. Prabhat Agrawal and Mr. Prem Sethi have filed a Writ Petition dated August 23, 2023 in the High Court of Judicature at Bombay against the State of Maharashtra and the Complainant and prayed inter alia for quashing of complaint filed by the Complainant and staying the operation of the Order on the grounds that the Company is not a manufacturer of the Product hence it cannot be made liable for contravention of aforesaid laws. The matter is currently pending.

### *Criminal proceedings initiated by our Company*

Except as disclosed below, there are no outstanding criminal proceedings initiated by our Company as on the date of this Prospectus:

1. Our Company has filed 34 individual cases before various judicial forums for alleged violation of section 138 of the Negotiable Instruments Act, 1881, for recovery of amounts due to our Company for which cheques issued in favour of our Company by our debtors have been dishonoured. The total monetary value involved in all these matters is ₹ 24.10 million in the aggregate. These matters are currently pending before various judicial forums.

### ***Actions by statutory or regulatory authorities against our Company***

Except as disclosed below, there are no pending actions initiated by statutory or regulatory authorities against our Company as on the date of this Prospectus:

1. Our Company has received three notices dated August 30, 2022, January 2, 2023 and January 31, 2023 from the office of The Inspector of Legal Metrology, Andheri-I Division in relation to violation of Legal Metrology (Package Commodity Rules, 2011) and Legal Metrology Act, 2009 and rules made thereunder on account of smudged maximum retail price on their goods and pasting of individual stickers on it and failure to contain the declaration as to the complete address of the importer or marketer. Our Company has filed replies dated October 3, 2022 and January 18, 2023, to the notices denying the allegations. Further the notice dated January 31, 2023 from the office of The Inspector of Legal Metrology, Andheri-I Division notes that they do not agree with submissions made by our Company and that further steps will be taken in this regard. Our company replied to the notice dated January 31, 2023 on February 8, 2023 denying all the allegations and contentions in the notice. The matter is currently pending.

2. Our Company has received a notice dated August 17, 2023 from the office of The Assistant Controller of Legal Metrology, Bandra Division, Mumbai, District 3 (“**Notice**”) in relation to violation of Legal Metrology (Package Commodity Rules, 2011) and Legal Metrology Act, 2009 and rules made thereunder on account of pasting of individual stickers on packages of Nebulizers and not altering or making separate declaration in this regard. The notice further requires our Company to submit written response to the notice dated within 10 days failing which further action will be taken against our Company. Our Company is in the process of replying to the Notice. The matter is currently pending.
3. Our Company has received three notices (“**Notices**”) dated September 17, 2022, October 9, 2023, and November 17, 2023, from the office of The Economic Offenses Wing, Delhi Police in relation to investigation of their engagement with the company M/s AVHA Lifesciences Private Limited or Nicholas Healthcare Limited, and Mr. Kapil Jain. The said notices sought certain clarifications from the company asking inter alia whether company has entered into any agreements and financial transactions such as payments with M/s AVHA Lifesciences Private Limited and Mr. Kapil Jain, and whether the company has supplied any materials to M/s AVHA Lifesciences Private Limited or Nicholas Healthcare Limited. Our company replied to the said notices on October 3, 2022 and November 25, 2023 answering the all the queries raised in the said notices. The last date of hearing was on November 23, 2023, and the Company is coordinating a rescheduling of the hearing on this matter, and the matter is currently pending.

**C. *Material outstanding litigation involving our Company***

*Material Civil litigation initiated against our Company*

As on the date of this Prospectus there are no outstanding material civil litigation initiated against our Company.

*Material Civil litigation initiated by our Company*

As on the date of this Prospectus there are no outstanding material civil litigation initiated by our Company.

**II. *Litigation involving our Directors***

**A. *Outstanding criminal proceedings involving our Directors***

*Criminal proceedings against our Directors*

Except as disclosed below, there are no outstanding criminal proceedings initiated against our directors as on the date of this Prospectus:

1. The State at the instance of Shri A.A. Raskar, Drug Inspector (Kokan division), Thane (“**Complainant**”) filed a complaint dated April 12, 2022 against our Company, our directors and promoters, Mr. Prabhat Agrawal and Mr. Prem Sethi, one of our vendors M/s Nuvo Medsurg Private Limited and Shri Naresh Goyal, Director of M/s Nuvo Medsurg Private Limited (collectively “**Accused Persons**”) before the Court of Hon’ble Judicial Magistrate First Class, 5<sup>th</sup> Court, Bhiwandi (“**Court**”) for contravention of sections 18(a)(i), 16(1)(a) and 27(d) of Drugs and Cosmetics Act, 1940 and the Drugs and Cosmetics Rules, 1945. Our Company and our directors and promoters, Mr. Prabhat Agrawal and Mr. Prem Sethi have filed a Writ Petition dated August 23, 2023 in the High Court of Judicature at Bombay against the State of Maharashtra and the Complainant and prayed inter alia for quashing of complaint filed by the Complainant and staying the operation of the Order on the grounds that the Company is not a manufacturer of the Product hence it cannot be made liable for contravention of aforesaid laws. For further details, see “- *Litigation involving our Company – Outstanding criminal proceedings involving our Company – Criminal proceedings initiated against our Company* ” on page 476. The matter is currently pending.

*Criminal proceedings initiated by our Directors*

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated by our Directors.

**B. *Pending action by statutory or regulatory authorities against our Directors***

As on the date of this Prospectus, there are no pending actions by statutory or regulatory authorities against our Directors.

**C. Material outstanding litigation involving our Directors**

*Material civil litigations initiated against our Directors*

As on the date of this Prospectus, there are no outstanding material civil litigation against our Directors.

*Material civil litigations initiated by our Directors*

Except as disclosed below, there are no outstanding civil proceedings initiated by our directors as on the date of this Prospectus:

- I. Ms. Sandhya Gadkari Sharma, (Non-Executive, Independent Director of the Company) has filed a writ petitions, in 2015, before the Hon'ble High Court of Judicature at Bombay ("**High Court**") seeking various reliefs including inter alia directions for a fire audit of the building and actions against illegal and unauthorised construction of structures on the terraces, common lobbies, and the podium top against *inter alia* civic authorities, builders and other flat owners / members of the housing society she is residing in, namely, Ashok Towers, Parel, Mumbai. The writ petition has been filed alleging large scale illegal alterations and additions to towers A, B, C and D of the housing society. The High Court *vide* its ad-interim order dated February 2, 2018, directed the designated officer of the concerned ward or any other officer nominated by the ward to visit the housing society and ascertain whether there are any illegal and unauthorised additions, alterations and constructions carried out which were contrary to the development permission granted by the Municipal Corporation of Brihan Mumbai. The case is currently pending before the High Court.

**III. Litigation involving our Promoters**

**A. Outstanding criminal proceedings involving our Promoters**

*Criminal proceedings against our Promoters*

Except as disclosed below, there are no outstanding criminal proceedings initiated against our promoters as on the date of this Prospectus:

1. The state at the instance of Shri A.A. Raskar, Drug Inspector (Kokan division), Thane ("**Complainant**") filed a complaint dated April 12, 2022 against our Company, our directors and promoters, Mr. Prabhat Agrawal and Mr. Prem Sethi, one of our vendors M/s Nuvo Medsurg Private Limited and Shri Naresh Goyal, Director of M/s Nuvo Medsurg Private Limited (collectively "**Accused Persons**") before the Court of Hon'ble Judicial Magistrate First Class, 5<sup>th</sup> Court, Bhiwandi ("**Court**") for contravention of sections 18(a)(i), 16(1)(a) and 27(d) of Drugs and Cosmetics Act, 1940 and the Drugs and Cosmetics Rules, 1945. Our Company and our directors and promoters, Mr. Prabhat Agrawal and Mr. Prem Sethi have filed a Writ Petition dated August 23, 2023 in the High Court of Judicature at Bombay against the State of Maharashtra and the Complainant and prayed inter alia for quashing of complaint filed by the Complainant and staying the operation of the Order on the grounds that the Company is not a manufacturer of the Product hence it cannot be made liable for contravention of aforesaid laws. For further details, see "- *Litigation involving our Company – Outstanding criminal proceedings involving our Company – Criminal proceedings initiated against our Company* " on page 476. The matter is currently pending.

*Criminal proceedings initiated by our Promoters*

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated by our Promoters.

**B. Pending action by statutory or regulatory authorities against our Promoter**

As on the date of this Prospectus, there are no pending actions by statutory or regulatory authorities against our Promoters.

**C. Material outstanding litigation involving our Promoters**

*Material civil litigations against our Promoters*

As on the date of this Prospectus, there are no outstanding material civil litigation against our Promoters.

*Material civil litigations initiated by our Promoters*

As on the date of this Prospectus, there are no outstanding material civil litigation initiated by our Promoters.

**D. Disciplinary action including penalty imposed by SEBI or stock exchanges against our Promoters in the last five financial years immediately preceding the date of filing of this Prospectus**

There has been no disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters in the last five financial years immediately preceding the date of filing of this Prospectus.

**IV. Litigation involving our Subsidiaries**

**A. Outstanding criminal proceedings involving our Subsidiaries**

*Criminal proceedings against our Subsidiaries*

Except as disclosed below, there are no outstanding criminal proceedings against our Subsidiaries as on the date of this Prospectus:

1. Mr. MN Venugopalan (“**Petitioner**”) has filed an application dated June 7, 2023 before The Hon’ble Motor Accidents Claims Tribunal, at Ernakulam claiming compensation under section 166 of the Motor Vehicles Act, 1988 against Mr. Dileepkumar M., director of Getwell Medicare Solution Private Limited, Mr. Bibin Das, driver of vehicle and The Oriental Insurance Company Limited (“**Respondents**”). The petitioner claims that he had been hit by the vehicle registered in the name of Getwell Medicare Solution Private Limited and driven by Mr. Bibin Das. The petitioner further states that the vehicle was overspeeding and being driven in rash and negligent manner and as a result of the accident he sustained severe and grave injuries. The monetary valuation of the claim is ₹ 3.00 million. Further an FIR has also been filed against Mr. Bibin Das at Kadavanthara Police Station on December 15, 2022 in this regard. The Matter is currently pending.

*Criminal proceedings initiated by our Subsidiaries*

Except as disclosed below, there are no outstanding criminal proceedings initiated by our Subsidiaries as on the date of this Prospectus:

1. Our subsidiaries Getwell Medicare Solution Private Limited, Chethana Pharma Private Limited, Chirag Medicare Solutions Private limited, Novacare Healthcare Solutions Private Limited, G.S. Pharmaceuticals Distributors Private Limited, Avenues Pharma Distributors Private Limited, RSM Pharma Private Limited, Western Healthcare Solutions Private Limited, SVMED Solutions Private Limited, Jaggi Enterprises Private Limited, Curever Pharma Private Limited, Millenium Medsolutions Private Limited and Sundarlal Pharma Distributors Private Limited have in total filed 68 cases before various judicial forums for alleged violation of section 138 of the Negotiable Instruments Act, 1881, for recovery of amounts due to our subsidiaries for which cheques issued in favour of our subsidiaries by their debtors have been dishonoured. The total monetary value involved in these matters is ₹ 43.71 million. These matters are currently pending before various judicial forums.
2. Our subsidiary Novacare Healthcare Solutions Private Limited (“Novacare”) has filed a first information report dated August 3, 2023 (“FIR”) against Mr. Vikrant Ahuja Under Section 154 of Code of Criminal Procedure, 1973 and sections Section 120-B, 403, 406, 420 of Indian Penal Code, 1860. The FIR was lodged pursuant to the order dated June 6, 2023 delivered by Judicial Magistrate Ist Class, Gurugram directing the police to register the FIR against Mr. Vikrant Ahuja. The FIR alleges that Mr. Vikran Ahuja fraudulently induced Novacare to keep supplying the medical products and did not pay the outstanding amount to the extent of ₹ 10.38 million due to Novacare. The matter is currently pending.

**B. Pending action by statutory or regulatory authorities against our Subsidiaries**

Except as disclosed below, there are no pending actions initiated by statutory or regulatory authorities against our Subsidiaries as on the date of this Prospectus:

1. Our Subsidiary CPD Pharma Private Limited (“CPD”) has received two show cause notices (“SCNs”) dated September 19, 2023, and November 21, 2023 from the Drugs Inspector and the Assistant Director of Drugs Control, Zone – V, Chennai – 06, respectively, in relation to violation of Section 18(c) of Drugs and Cosmetics Act, 1940 read with rule 65(9)(b) of the Drugs and Cosmetics Rules, 1945. It has been stated in the SCNs that upon inspection of premises of CPD it has been observed that our subsidiary has been supplying drugs to registered medical practitioners. However, they have not obtained and preserved the signed order in writing for supply of said drugs and CPD had supplied drugs to a person not holding requisite license to sell, stock or exhibit for sale or distribute the drug. Further the SCN dated November 21, 2023, states that in case our Subsidiary does not notify their intention of availing the opportunity of personal hearing in writing with their explanation within seven days administrative action will be taken against our Subsidiary, and it will be construed that the Subsidiary has no explanation to offer. Our Subsidiary replied to the SCNs dated on September 28, 2023 and November 27, 2023 denying all the allegations and contentions in the notice. The matter is currently pending.
2. Our Subsidiary Avenues Pharma Distributors Private Limited has received a notice dated November 3, 2023 from the office of The Inspector of Legal Metrology, Bengaluru (“**Notice**”) in relation to violation of Legal Metrology (Package Commodities) Rules, 2011 and Legal Metrology Act, 2009 and rules made thereunder on account of inter alia consumer care details not being marked, retail sale prices not being marked as per the Legal Metrology (Package Commodities) Rules, 2011 and email ID not being declared on the packages of drugs namely Glolip balm and Akure face wash, respectively. The notice further requires our subsidiary to pay the compounding fees for the offenses committed under aforesaid acts and rules. Our Subsidiary replied to the notice on November 30, 2023 maintaining that since the subsidiary is only responsible for distribution of the said drugs hence any liability related to packaging cannot be accrued to the subsidiary. The matter is currently pending.
3. Our Subsidiary Galaxystar Pharma Distributors Private Limited has received a stop work Notice (“**Notice**”) dated February 8, 2024, from Office of the Executive Engineer, Municipal Corporation of Greater Mumbai (“**Designated Officer**”). The Notice states that our Subsidiary has unlawfully commenced or unlawfully carried on erection of building and execution of work including erection of full height partition wall and construction of loft/mezzanine floor, without obtaining permission from the competent authority approximately. The mentioned unauthorized activity was carried out in the property situated at CTS no. 81-A of Majas Village, 1<sup>st</sup> Floor Tahera Building, above Galaxystar Pharma Distributors Private Limited, Caves Road, Jageshwari (East) Mumbai. The Subsidiary has contravened sections 337, 342 and 347 of the Mumbai Municipal Corporation Act, 1888. The Notice further directs our Subsidiary to stop the erection of the said building or execution of the said work, and produce permission issued by a competent authority in favour of the erection of the said building or execution of the said work within 24 hours of service of the Notice failing which the Designated Officer will proceed with removal and pulling down of the said construction and building.

**C. Material outstanding litigation involving our Subsidiaries**

Except as disclosed below, there are no outstanding material civil litigation initiated against our subsidiaries as on the date of this Prospectus:

*Material civil litigations initiated against our Subsidiaries*

1. Novartis AG (“**Plaintiff**”) has filed a suit against our subsidiary Chhabra Healthcare Solutions Private Limited (“**Chhabra Healthcare**”) in the High Court of Delhi (“**Court**”) seeking the relief of permanent injunction in respect of alleged infringement of Indian Patent No. 229051 held by the Plaintiff. The case of the Plaintiff is that vide an order dated October 28, 2021 in the matters CS(COMM) 557/2020 and CS(COMM) 156/2021 the High Court of Delhi had passed an interim injunction in series of suits against manufacturers and marketers of Plaintiff’s drug product Sacubitril and Valsartan Tablets under the brand ZAYO. Plaintiff has alleged that it had received information that Chhabra Healthcare is one of the distributors of Eric Lifesciences Limited, the defendant in CS(COMM) 156/2021, and continuing to sell



the aforesaid drug leading to infringement of Indian Patent No. 229051. The Court vide an order dated February 2, 2022 restrained Chhabra Healthcare from using, manufacturing, importing, selling, offering for sale, exporting and directly or indirectly dealing with any pharmaceutical composition of Sacubitril and valsartan. The Court further directed to appoint a local commissioner to collect evidence in this respect and also seize the infringing products if kept in Chhabra Healthcare premises. The local commissioner carried out an inspection on February 8, 2022 and filed a report dated February 14, 2022 noting that infringing drug products (both in strips and bottles) under the brand name ZAYO has been found on the premises of Chhabra Healthcare. The matter is currently pending.

*Material civil litigations initiated by our Subsidiaries*

As on the date of this Prospectus there are no outstanding material civil litigation initiated by our subsidiaries.

**V. Litigation involving our Group Companies which may have a material impact on our Company**

None of our Group Companies are currently party to any pending litigations which would have a material impact on our Company.

**VI. Tax claims**

Except as disclosed below, there are no claims related to direct and indirect taxes, involving our Company, Directors, Promoters and Subsidiaries:

Nature of cases	No. of cases	Total amount involved (₹ in million)
<b>Litigation involving the Company</b>		
Direct tax	Nil	NA
Indirect tax	1	0.67
<b>Total</b>	<b>1</b>	<b>0.67</b>
<b>Litigation involving the Directors*</b>		
Direct tax	2	4.89
Indirect tax	Nil	NA
<b>Total</b>	<b>2</b>	<b>4.89</b>
<b>Litigation involving our Subsidiaries</b>		
Direct tax	3	7.27
Indirect tax	4	6.07
<b>Total</b>	<b>7</b>	<b>13.34</b>
<b>Litigation involving our Promoters</b>		
Direct tax	2	4.89
Indirect tax	Nil	NA
<b>Total</b>	<b>2</b>	<b>4.89</b>

*\*Including Promoter Directors*

**VII. Outstanding dues to creditors**

As of September 30, 2023, we had 3,594 creditors to whom an aggregate outstanding amount of ₹ 2,248.64 million was due. Further, based on available information regarding status of the creditor as a micro, small or a medium scale enterprise as defined under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as of September 30, 2023, our Company owes an amount of ₹ 30.31 million to micro, small and medium enterprises.

As per the policy of materiality for identification of material outstanding dues to any creditor of our Company having monetary value which exceed ₹ 112.43 million, which is 5 % of the consolidated trade payable of our Company as per the latest Restated Consolidated Financial Information of our Company included in this Prospectus, shall be considered as 'material'. As of September 30, 2023, there are 4 material creditors to whom our Company owes an aggregate amount of ₹ 1,015.89 million. The details pertaining to outstanding dues towards our material creditors and their names are available on the website of our Company at

www.enterohealthcare.com/uat/. It is clarified that such details available on our website do not form a part of this Prospectus.

Details of outstanding dues owed to micro, small and medium enterprises and other creditors as of September 30, 2023, is set out below:

<b>Types of Creditors</b>	<b>Number of Creditors</b>	<b>Amount involved (in ₹ million)</b>
Micro, Small and Medium Enterprises	98	30.31
Material creditors	4	1,015.89
Other creditors	3,492	1,202.44
<b>Total Outstanding Dues</b>	<b>3,594</b>	<b>2,248.64</b>

#### **Material developments since the last balance sheet date**

Except as stated in “*Management’s Discussion and Analysis of Financial Condition and Results of Operation – Significant Developments after September 30, 2023*” on page 464, there have been no developments subsequent to September 30, 2023, that we believe are expected to have a material impact on the reserves, profits, earnings per share and book value of our Company.

## GOVERNMENT AND OTHER APPROVALS

Except as disclosed herein, we have obtained all material consents, licenses, registrations, permissions and approvals from various governmental, statutory and regulatory authorities, which are necessary for undertaking the current business activities and operations of our Company. Except as disclosed below, no further approvals are material for carrying on the present business operations of our Company. 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 on the date of this Prospectus. For details in connection with the regulatory and legal framework within which our Company operates, see “Key Regulations and Policies” on page 201.

We have also set out below material approvals or renewals applied for but not received. As on the date of this Prospectus, there are no material approvals required but not applied for.

### **I. Approvals relating to the Offer**

For details regarding the approvals and authorisations obtained by our Company in relation to the Offer, see “Other Statutory and Regulatory Disclosures – Authority for the Offer” on page 488.

### **II. Material approvals in relation to our Company - General details of our Company**

#### **a) Incorporation details**

1. Certificate of incorporation dated January 10, 2018 issued by the RoC of Delhi and Haryana at Delhi, to our Company, in its former name of ‘Entero Healthcare Solutions Private Limited’, with corporate identity number ‘U74999HR2018PTC072204’.
2. Fresh certificate of incorporation dated August 25, 2023 issued by the RoC pursuant to conversion of our Company from a ‘private limited company’ to a ‘public limited company’ and consequential change in our name from ‘Entero Healthcare Solutions Private Limited’ to ‘Entero Healthcare Solutions Limited’. The new Corporate Identity Number of our Company is U74999HR2018PLC072204.

#### **b) Tax related approvals**

1. The permanent account number of our Company is ‘AAECE9029Q’, issued by the Income Tax Department under the Income Tax Act, 1961.
2. The tax deduction account number of our Company is ‘RTKE02294F’, issued by the Income Tax Department under the Income Tax Act, 1961.
3. Our Company has obtained GST registration certificates issued by the Government of India and the state governments for GST payments in the states where our business operations are situated.
4. Our Company has obtained the professional tax registration for our branch in Bhiwandi, Maharashtra.
5. Importer-Exporter Code issued by Office of the Additional Director General of Foreign Trade, Mumbai under the Foreign Trade (Development and Regulation) Act, 1992.

#### **c) Labour and employee related approvals**

Our Company has obtained registrations under the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees State Insurance Act, 1948.

#### **d) Material approvals in relation to business and operations of our Company**

To operate our business in India, our Company requires approvals and/or licenses under various state and central laws, rules, and regulations. These approvals and licenses, amongst others, include (a) licenses under the Food Safety and Standards Act, 2006, (b) licenses under the Drugs and Cosmetics Act, 1940 and

(c) trade licenses under state municipality rules; (d) registrations under the respective state shops and establishments legislations.

Our Company has obtained the necessary permits, licenses and approvals from the appropriate regulatory and governing authorities required to carry out our operations. Details of the registrations obtained by our Company for its registered office, corporate office and warehouses under relevant legislations relating to shops and establishments are provided below:

Particulars	Issuing Authority	Date of Issue/Renewal	Expiry Date
Registered Office	Labour Department, Haryana	April 20, 2023	Valid in perpetuity
Corporate Office	Brihanmumbai Municipal Corporation, Mumbai	January 05, 2021	Valid in perpetuity
Warehouse (Guwahati, Assam)	Assistant Labour Commissioner, Guwahati	December 23, 2023	December 30, 2024
Warehouse (Kolkata, West Bengal)	Labour Commissionerate, Government of West Bengal	November 16, 2020	Valid in perpetuity
Warehouse (Lucknow, Uttar Pradesh)	Labour Department, Uttar Pradesh	November 4, 2023	Valid in perpetuity
Gala No. 1 to 4-Bhiwandi, Mumbai, Maharashtra	Assistant Labour Commissioner, Bhiwandi	December 7, 2023	Valid in perpetuity
Gala No. 2 to 5-Bhiwandi, Mumbai, Maharashtra	Assistant Labour Commissioner, Bhiwandi	October 26, 2023	Valid in perpetuity
Darbhanga, Bihar	Labour Resources Department, Government of Bihar	October 14, 2023	Valid in perpetuity
Chennai, Tamil Nadu	Labour Department, Government of Tamil Nadu	October 28, 2023	Valid in perpetuity

For details of the risks relating to the material approvals required for undertaking our business, see “*Risk Factors – Non-compliance with existing or changes to environmental, health and safety, labor laws and other applicable regulations by us or contract manufacturers for our private label products may adversely affect our business, financial condition, results of operations and cash flows.*” on page 61.

### III. Material approvals pending in respect of our Company


*Material approvals or renewals for which applications are currently pending before relevant authorities*

*Gala No. 2 to 5- Bhiwandi, Mumbai, Maharashtra*

S. No.	Description	Registration/Renewal	Authority	Status of Application	Date of Application
1.	FSSAI	Registration	Food Safety and Standards Authority of India	Applied	November 24, 2023

*[Remainder of the page intentionally left blank]*

### ***Intellectual Property***

We have 102 trademark registrations, out of which rectification has been filed against one trademark, 15 opposed trademarks, 41 objected trademarks, 10 abandoned trademarks, 20 accepted and advertised trademarks, 2 accepted trademarks, and 6 refused trademarks. In respect of trademarks, the registered trademarks in our name include “RENCIBON” (under class 5), “CITOFLO” (under class 5) and the registered trademarks in our Subsidiary Curever’s name include “Curaflo cef” (under classes 5). The trademark for the current logo and name of our Company (  Entero ) has been applied for under classes 1, 3, 5, 10, 16 35, 41 and 44 of the Trademarks Act, 1999.

For details, see “***Our Business- Intellectual Property***” on page 200. For risks related to our intellectual property, see “***Risk Factors – If we are unable to obtain, protect or use our intellectual property rights, our business may be adversely affected.***” on page 60.

## OUR GROUP COMPANIES

*In accordance with the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of “group companies”, our Company has considered (i) such companies (other than Promoters and Subsidiaries) with which there were related party transactions during the period for which Restated Consolidated Financial Information have been disclosed in this Prospectus, as covered under Ind AS 24; and (ii) any other companies which are considered material by our Board.*

*In respect of item (ii) above, our Board in its meeting held on September 7, 2023, has considered and adopted the Materiality Policy, inter alia, for identification of companies that shall be considered material and shall be disclosed as a group company in this Prospectus. In terms of the Materiality Policy, a company shall be considered ‘material’ if a company is a member of the Promoter Group in terms of Regulation 2(1)(pp) of SEBI ICDR Regulations, and has entered into one or more transactions with our Company (on a consolidated basis) in the most recent financial year and/or the relevant stub period (covered in the Restated Consolidated Financial Information included in this Prospectus) that cumulatively exceed 10.00% of the total consolidated revenue of our Company, as per the Restated Consolidated Financial Information of our Company for the most recent financial year and/or the relevant stub period.*

Based on the above criteria, laid out by the SEBI ICDR Regulations and our Materiality Policy, our Board has in its meeting held on January 21, 2024, identified Novacare Drug Specialities Private Limited, and Medmate Pharma Private Limited (formerly known as Getwell Enterprises Private Limited) as the group companies of our Company (“**Group Companies**”) as on the date of this Prospectus

### Details of our Group Companies

#### 1. Novacare Drug Specialities Private Limited

The registered office of Novacare Drug Specialities Private Limited (“**Novacare**”) is situated at A-6, Vardhman Complex, LBS Marg Near Everest Masala Factory, Vikhroli West Mumbai Maharashtra 400083.

The details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share derived from the audited financial statements of Novacare for financial years ended March 31, 2023, March 31, 2022, and March 31, 2021, in terms of the SEBI ICDR Regulations are available on the Company’s website at <https://www.enterohealthcare.com/>.

#### 2. Medmate Pharma Private Limited (formerly known as Getwell Enterprises Private Limited)

The registered office of Medmate Pharma Private Limited (formerly known as Getwell Enterprises Private Limited) (“**Medmate Pharma**”) is situated at 41/1859, Veekshanam Road Ernakulam Cochin Kerala – 682018.

The details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share derived from the audited financial statements of Medmate Pharma for financial years ended March 31, 2023, March 31, 2022, and March 31, 2021, in terms of the SEBI ICDR Regulations are available on the Company’s website at <https://www.enterohealthcare.com/>.

### Interest of Group Companies in our Company

#### <sup>(1)</sup> *In the promotion of our Company or business interests in our Company*

None of our Group Companies has any interest in the promotion of our Company. Except as disclosed in the section “*Other Financial Information - Related Party Transactions*” on page 396, none of our group companies has any business interest in our Company. Novacare Drug Specialities Private Limited may be deemed to be interested to the extent of its shareholding in the Company and benefits arising thereon. As on the date of this Prospectus, it holds 268,383 Equity Shares in the share capital of the Company.

#### <sup>(2)</sup> *In the properties acquired by our Company in the past three years preceding the filing of this Prospectus or proposed to be acquired*

None of our Group Companies has any interest in the properties acquired by our Company in the three years preceding the filing of this Prospectus or that are proposed to be acquired by our Company.

<sup>(3)</sup> ***In transactions for acquisition of land, construction of building and supply of machinery***

None of our Group Companies has any interest in any transactions for the acquisition of land, construction of building or supply of machinery.

**Common Pursuits amongst the Group Companies with our Company**

There are no common pursuits between the Group Companies and our Company.

**Related Business Transactions with our Group Companies and significance on the financial performance of our Company**

**Medmate Pharma Private Limited (formerly known as Getwell Enterprises Private Limited):**

Financial Year	Other Party to Transaction	Nature of Transaction	Amount of Transaction	Cumulative Amount Outstanding
2022-23*	Getwell Medicare Solution Private Limited	Sale of goods	10.57	0.94
		Purchase of goods	2.26	0.17
2021-22*	Getwell Medicare Solution Private Limited	Sale of goods	6.77	0.85
2020-21	Getwell Medicare Solution Private Limited	Sale of goods	4.45	0.46

*\*The transactions with Medmate Pharma Private Limited (formerly known as Getwell Enterprises Private Limited) for the financial years 2021-22 and 2022-23 have not been identified as related party transactions in the annual consolidated financial statements of our Company.*

**Novacare Drug Specialities Private Limited:**

Financial Year	Other Party to Transaction	Nature of Transaction	Amount of Transaction	Cumulative Amount Outstanding
2022-23*	Novacare Healthcare Solutions Private Limited	Receivable	-	5.20
2021-22	Novacare Healthcare Solutions Private Limited	Receivable	-	5.20
2020-21	Novacare Healthcare Solutions Private Limited	Receivable	-	5.22

*\*Prior to the financial year 2022-23, our Company had disclosed balance with Novacare Drug Specialities Private Limited as a related party transaction in our annual consolidated financial statements as it was identified as a related party under section 184 of the Companies Act, 2013, in the standalone financial statements of our Subsidiary, Novacare Healthcare Solutions Private Limited, however, the balance with Novacare Drug Specialities Private Limited for the financial year 2022-23 has not been identified as a related party transaction in the annual consolidated financial statements as it does not get covered under the definition of a related party under Ind AS 24.*

**Litigations**

None of our Group Companies are currently party to any pending litigations which would have a material impact on our Company.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for this Offer

Our Board has approved the Offer pursuant to the resolutions passed at its meetings held on August 25, 2023, and September 7, 2023, and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated September 7, 2023. Further, our Board has taken on record the consent for the Offer for Sale by the Selling Shareholders pursuant to its resolutions dated August 25, 2023, and February 5, 2024, the Draft Red Herring Prospectus was approved by our Board pursuant to its resolution dated September 7, 2023, and by our IPO Committee pursuant to resolution dated September 13, 2023. The Red Herring Prospectus has been approved by our Board pursuant to its resolution dated February 5, 2024. This Prospectus has been approved by our Board pursuant to its resolution dated February 13, 2024.

Each of the Selling Shareholders has, severally and not jointly, confirmed and authorised its respective participation in the Offer for Sale, as set out below:

Sr. No.	Name of the Selling Shareholders	Date of resolution by board or committee of directors	Date of Consent Letter	Aggregate amount of Offer for Sale (in ₹ million) #	Number of Equity Shares offered for sale#
1.	Prabhat Agrawal	N/A	February 1, 2024	591.52	470,210
2.	Prem Sethi	N/A	February 1, 2024	394.35	313,472
3.	OrbiMed Asia III Mauritius Limited	August 25, 2023	February 1, 2024	4,800.00	3,815,580
4.	Chethan M.P.	N/A	August 25, 2023	5.54	4,401
5.	Deepesh T. Gala	N/A	August 25, 2023	1.66	1,320
6.	Hemant Jose Barros	N/A	August 25, 2023	11.07	8,802
7.	Hemant Jaggi	N/A	August 25, 2023	5.54	4,401
8.	K.R.V.S. Varaprasad	N/A	August 25, 2023	2.77	2,201
9.	K.E. Prakash	N/A	August 25, 2023	49.83	39,610
10.	Lavu Sahadev	N/A	August 25, 2023	1.66	1,320
11.	Manoj K Sanghani	N/A	August 25, 2023	15.23	12,103
12.	Millennium Medicare Private Limited	August 17, 2023	August 25, 2023	11.07	8,802
13.	K. Naveen Kumar Gupta	N/A	August 25, 2023	2.77	2,201
14.	Novacare Drug Specialities Private Limited	August 21, 2023	August 25, 2023	53.15	42,250
15.	Petros Diamantides	N/A	August 25, 2023	18.96	15,074
16.	Prashanth Ravindrakumar	N/A	August 25, 2023	16.61	13,203
17.	Suraj Prakash Atreja	N/A	August 25, 2023	1.39	1,102
18.	Venkata Ramana Siva Kumar Yanamadala	N/A	August 25, 2023	1.66	1,320
19.	Vikramaditya Ambre	N/A	August 25, 2023	15.23	12,103

#Subject to finalisation of Basis of Allotment

### In-principle Listing Approvals

Our Company has received in-principle approvals from the BSE and NSE for the listing of the Equity Shares



pursuant to letters dated November 8, 2023, each.

### **Prohibition by SEBI, RBI or Governmental Authorities**

Our Company, our Subsidiaries, our Promoters, our Directors, the members of the Promoter Group, persons in control of our Company or Corporate Promoters and each of the Selling Shareholders are not prohibited from accessing the capital markets or 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.

### **Compliance with the Companies (Significant Beneficial Owners) Rules, 2018**

Our Company, our Promoters, members of our Promoter Group and each of the Selling Shareholders, severally and not jointly, are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to them in relation to our Company and the Equity Shares, as on the date of this Prospectus.

### **Directors associated with the Securities Market**

None of our Directors are associated with the securities market in any manner. There are no outstanding actions initiated by SEBI in the last five years preceding the date of this Prospectus against our Directors.

### **Eligibility for the Offer**

Our Company is eligible for the Offer in accordance with Regulation 6(2) of the SEBI ICDR Regulations, which states as follows:

*“An 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 meet the conditions stipulated under Regulation 6(2) of the SEBI ICDR Regulations. We have complied with Regulation 6(2) of the SEBI ICDR Regulations and Allotted not less than 75% of the Offer to QIBs.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company ensured that the number of Allotees was not less than 1,000.

Our Company confirms that it is in compliance with the conditions specified in 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Each of the Selling Shareholders, severally and not jointly, confirms compliance with the conditions specified in Regulation 8A of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to undertake the Offer, in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. The details of compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

- (i) None of our Company, the Selling Shareholders, our Promoters, the members of our Promoter Group or our Directors are debarred from accessing the capital markets;
- (ii) None of our Promoters or the Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI;
- (iii) None of our Company, our Promoters or our Directors have been categorized as a wilful defaulter or a fraudulent borrower by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters and fraudulent borrowers issued by the RBI;
- (iv) None of our Promoters or our Directors have been declared a fugitive economic offender (in accordance

with Section 12 of the Fugitive Economic Offenders Act, 2018);

- (v) Other than the options granted under the ESOP Scheme, 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 Prospectus;
- (vi) Our Company, along with the Registrar to the Company, has entered into tripartite agreements dated July 13, 2023, and July 11, 2018, with NSDL and CDSL, respectively, for dematerialization of the Equity Shares;
- (vii) The Equity Shares of our Company held by our Promoters are in dematerialised form; and
- (viii) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this 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 TO MEAN 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 OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING ICICI SECURITIES LIMITED, DAM CAPITAL ADVISORS LIMITED, JEFFERIES INDIA PRIVATE LIMITED, JM FINANCIAL LIMITED AND SBI CAPITAL MARKETS LIMITED HAVE 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 OFFER.**

**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, EACH OF THE SELLING SHAREHOLDERS, SEVERALLY AND NOT JOINTLY, WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THE DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF FOR ITS RESPECTIVE PORTION OF OFFERED SHARES, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 13, 2023, 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 OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, AS AMENDED OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.**

#### **Disclaimer from our Company, our Directors, the Selling Shareholders and the BRLMs**

Our Company, our Directors, the BRLMs accept no responsibility for statements made otherwise than those confirmed in this Prospectus or in the advertisements or any other material issued by or at our Company's instance. Anyone placing reliance on any other source of information, or any websites of our Subsidiaries, Promoters, Promoter Group, any affiliate of our Company, would be doing so at his or her or their own risk.

Unless required by law, the Selling Shareholders, and where applicable, trustees and their respective directors, affiliates, associates and officers accept no responsibility for any statements and undertakings, except such statements and undertakings made or confirmed by them in relation to itself and/or its Offered Shares in this Prospectus.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information, to the extent required in relation to the Offer, was made available by our Company and the BRLMs to the public and investors at large and no selective or additional information was made 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. Investors who Bid in the Offer were required to confirm and will be deemed to have represented to our Company, BRLMs, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they were eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and would 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, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor was eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their respective group companies, 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 Selling Shareholders and their respective group companies, 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**

This Offer was 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, as amended, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from RBI), NBFC SIs or trusts under applicable trust law and who were authorised under their respective constitutions to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds registered with the Pension Fund Regulatory and Development Authority, 2013, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, NBFC-SIs and permitted Non-Residents including FPIs and Eligible NRIs, AIFs, FVCIs, and other eligible foreign investors, if any, provided that they were eligible under all applicable laws and regulations to purchase the Equity Shares. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) at Mumbai, India only.

The Red Herring Prospectus and this Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient was in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient was outside India except the United States of America. Any person into whose possession the Red Herring Prospectus comes was required to inform himself or herself about, and to observe, any such restrictions.

No action was, or has been, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus was filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby were not offered or sold, directly or indirectly, and the Red Herring Prospectus could not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Red Herring Prospectus nor any offer or sale hereunder could, under any circumstances, create any implication that there had been no change in the affairs of our

Company, our Subsidiaries, our Promoters, members of our Promoter Group and the Selling Shareholders from the date thereof or that the information contained therein is correct as of any time subsequent to that date. Bidders were advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that could be held by them under applicable law.

**The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A and referred to in this Prospectus as “U.S. QIBs”) pursuant to Section 4(a) of the U.S. Securities Act, and (ii) outside the United States in offshore transactions as defined in and in compliance with Regulation S and the applicable laws of the jurisdiction where those 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.**

#### **Disclaimer Clause of BSE**

As required, a copy of the Draft Red Herring Prospectus was submitted to the BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of the Draft Red Herring Prospectus, is set forth below:

*"BSE Limited ("the Exchange") has given vide its letter dated November 08, 2023, 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 the Draft Red Herring Prospectus was submitted to the NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of the Draft Red Herring Prospectus, is set forth below:

*“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/2805 dated November 08, 2023, 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 the Red Herring Prospectus and this Prospectus are proposed to be listed on the BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission to deal in and for an official quotation of the Equity Shares to be issued and sold in the Offer. The BSE is the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, all monies received from the applicants in pursuance of the Red Herring Prospectus, together with any interest on such monies in accordance with applicable law and the Selling Shareholders will be liable to reimburse our Company for any such repayment of monies, on its behalf, with respect to their Offered Shares. If such money is not repaid within the prescribed time, then our Company, the Selling Shareholders and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law. Any expense incurred by our Company on behalf of any of the Selling Shareholders with regard to interest on such refunds will be reimbursed by such Selling Shareholder in proportion to its respective portion of the Offered Shares. For the avoidance of doubt, subject to applicable law, a Selling Shareholder shall not be responsible to pay and/or reimburse any expenses towards refund or any interest thereon for any delay, unless such delay is caused solely by, and is directly attributable to, an act or omission of such Selling Shareholder and in any other case the Company shall take on the responsibility to pay interest. It is clarified that such liability of a Selling Shareholder shall be limited in proportion to its respective portion of the Offered Shares.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within such time period as may be prescribed under applicable law. Each of the Selling Shareholders, confirm that they shall provide all required information, support and cooperation to our Company and the BRLMs for the completion of the necessary formalities in relation in this respect. If our Company does not Allot the Equity Shares within such timeline as prescribed by SEBI, all amounts received in the Public Offer Accounts will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period, subject to applicable law.

## **Consents**

Consents in writing of (a) the Selling Shareholders, our Directors, our Vice President - General Counsel, Company Secretary and Compliance Officer, Group Chief Financial Officer, Statutory Auditor, independent chartered accountant, the BRLMs, legal counsel, bankers/ lenders to our Company, CRISIL and the Registrar to the Offer, in their respective capacities have been obtained; and consents in writing of (b) the Syndicate Members, the Escrow Collection Bank, Public Offer Account Bank, the Sponsor Banks, Refund Bank, and Monitoring Agency to act in their respective capacities, have been obtained and filed along with a copy of the Red Herring Prospectus and this Prospectus with the RoC as required under Sections 26 and 32 of the Companies Act, 2013. Further, consents received prior to filing of the Red Herring Prospectus have not been withdrawn up to the time of delivery of this the Red Herring Prospectus and this Prospectus with the RoC.

## **Expert to the Offer**

Except as stated herein, our Company has not obtained any expert opinions.

Our Company has received written consent dated February 13, 2024 from M S K A & Associates, Chartered Accountants, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated January 21, 2024, on our Restated Consolidated Financial Information and their assurance reports dated January 21, 2024, and September 7, 2023, on the Pro Forma Financial Information; (ii) their report dated January 21, 2024 on the Statement of Special Tax Benefits available to the Company and its equity shareholders under the

direct and indirect tax laws, in this Prospectus, and such consent has not been withdrawn as on the date of this Prospectus. However, the term “expert” and the consent thereof shall not be construed to mean an “expert” or consent within the meaning as defined under the U.S. Securities Act.

Our Company has received written consent dated February 5, 2024, from N B T & Co, Chartered Accountants (Firm Registration Number: 140489W), holding a valid peer review certificate from ICAI, to include their name in this Prospectus as an “expert” as defined under Section 2(38) read with Section 26(5) of the Companies Act, 2013 in respect of their certificates in connection with the Offer issued by them in their capacity as an independent chartered accountant to our Company,. The consent has not been withdrawn as of the date of this Prospectus. The term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

**Public or rights issues by our Company during the last five years and performance vis-à-vis objects – our Company**

Our Company has not made any public or rights issue during the five years immediately preceding the date of this Prospectus.

**Commission or brokerage paid on previous issues**

Since this is an initial public offer of 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 in the five years preceding the date of this Prospectus.

**Capital issue by our Company, listed group companies, subsidiaries and associates during the previous three years**

As on the date of this Prospectus, our Company does not have any listed group companies, listed associates and listed Subsidiaries. For details in relation to the capital issuances by our Company in the three years preceding the date of filing this Prospectus, see “*Capital Structure – Notes to Capital Structure*” beginning on page 95.

**Performance vis-à-vis objects – Last issue of Subsidiaries or Promoters**

Our Promoters and Subsidiaries are not listed on any stock exchange.

*[Remainder of this page is intentionally left blank]*

**Price information of past issues handled by the BRLMs (during the current financial year and the two financial years preceding the current financial year)**

• **ICICI Securities Limited**

1. Price information of past issues handled by ICICI Securities Limited:

Sr. No.	Issue Name	Issue Size (Rs. Mn.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1	India Shelter Finance Corporation Limited^^	12,000.00	493.00	20-Dec-23	620.00	+17.64% [+1.48%]	NA*	NA*
2	DOMS Industries Limited^	12,000.00	790.00 <sup>(1)</sup>	20-Dec-23	1,400.00	+80.59% [+0.97%]	NA*	NA*
3	Inox India Limited^	14,593.23	660.00	21-Dec-23	933.15	+32.01% [+1.15%]	NA*	NA*
4	Muthoot Microfin Limited^	9,600.00	291.00 <sup>(2)</sup>	26-Dec-23	278.00	-20.77% [-0.39%]	NA*	NA*
5	Credo Brands Marketing Limited^	5,497.79	280.00	27-Dec-23	282.00	-9.89% [-1.86%]	NA*	NA*
6	Azad Engineering Limited^	7,400.00	524.00	28-Dec-23	710.00	+29.06% [-2.36%]	NA*	NA*
7	Innova Captab Limited^^	5,700.00	448.00	29-Dec-23	452.10	+15.16% [-1.74%]	NA*	NA*
8	Jyoti CNC Automation Limited^^	10,000.00	331.00 <sup>(3)</sup>	16-Jan-24	370.00	NA*	NA*	NA*
9	EPACK Durable Limited^	6,400.53	230.00	30-Jan-24	225.00	NA*	NA*	NA*
10	Apeejay Surrendra Park Hotels Ltd^^	9,200	155 <sup>(4)</sup>	12-Feb-24	186.00	NA*	NA*	NA*

\*Data not available

^BSE as designated stock exchange

^^NSE as designated stock exchange

(1) Discount of Rs. 75 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 790.00 per equity share.

(2) Discount of Rs. 14 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 291.00 per equity share.

(3) Discount of Rs. 15 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 331.00 per equity share

(4) Discount of Rs. 7 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 155.00 per equity share

2. Summary statement of price information of past public issues handled by ICICI Securities Limited:

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Mn.)	No. of IPOs trading at discount - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount - 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 180 <sup>th</sup> calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%

2023-24*	23	2,18,45 9.46	-	-	3	4	7	6	-	-	-	2	-	-
2022-23	9	2,95,34 1.82	-	1	3	-	3	2	-	1	1	-	5	2
2021-22	26	7,43,52 0.19	-	3	6	6	4	7	3	4	5	5	4	5

\* This data covers issues up to YTD

**Notes:**

- Data is sourced either from [www.nseindia.com](http://www.nseindia.com) or [www.bseindia.com](http://www.bseindia.com), as per the designated stock exchange disclosed by the respective Issuer Company.
- Similarly, benchmark index considered is “NIFTY 50” where NSE is the designated stock exchange and “S&P BSE SENSEX” where BSE is the designated stock exchange, as disclosed by the respective Issuer Company.
- 30<sup>th</sup>, 90<sup>th</sup>, 180<sup>th</sup> calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30<sup>th</sup>, 90<sup>th</sup>, 180<sup>th</sup> calendar day is a holiday, in which case we have considered the closing data of the previous trading day

• **DAM Capital Advisors Limited:**

1. Price information of past issues (during current Financial Year and two Financial Years preceding the current Financial Year) handled by DAM Capital Advisors Limited:

S. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1	Epack Durable Limited <sup>(2)</sup>	6,400.53	230.00	January 30, 2024	225.00	Not applicable	Not applicable	Not applicable
2	Credo Brands Marketing Limited <sup>(2)</sup>	5,497.79	280.00	December 27, 2023	282.00	-9.89%, [-1.86%]	Not applicable	Not applicable
3	ESAF Small Finance Bank Limited <sup>(2)</sup>	4,630.00	60.00 <sup>s</sup>	November 10, 2023	71.90	+12.87%, [+ 7.58%]	+31.18%, [+11.17%]	Not applicable
4	JSW Infrastructure Limited <sup>(2)</sup>	28,000.00	119.00	October 3, 2023	143.00	+41.34%, [-2.93%]	+75.04%, [+10.27%]	Not applicable
5	Yatra Online Limited <sup>(2)</sup>	7,750.00	142.00	September 28, 2023	130.00	-11.06%, [-2.63%]	-0.21%, [+8.90%]	Not applicable
6	Rishabh Instruments Limited <sup>(1)</sup>	4,907.83	441.00	September 11, 2023	460.05	+20.12%, [-1.53%]	+13.24%, [+4.87%]	Not applicable
7	Avalon Technologies Limited <sup>(1)</sup>	8,650.00	436.00	April 18, 2023	436.00	-10.09%, [+2.95%]	+59.45%, [+10.78%]	+21.32%, [+11.84%]
8	Uniparts India Limited <sup>(2)</sup>	8,356.08	577.00	December 12, 2022	575.00	-5.11%, [-3.24%]	-7.38%, [-4.82%]	-0.60%, [+0.80%]



9	Inox Green Energy Services Limited <sup>(2)</sup>	7,400.00	65.00	November 23, 2022	60.50	-30.77%, [-1.11%]	-32.77%, [-1.33%]	-26.85%, [+0.36%]
10	Kaynes Technology India Limited <sup>(1)</sup>	8,578.20	587.00	November 22, 2022	778.00	+19.79%, [-0.25%]	+48.24%, [-1.64%]	+102.18%, [-0.22%]

Source: www.nseindia.com and www.bseindia.com

<sup>S</sup>A discount of ₹ 5 per equity share was provided to eligible employees bidding in the employee reservation portion.

(1) NSE was the designated stock exchange for the said issue.

(2) BSE was the designated stock exchange for the said issue.

Notes:

- Issue size derived from prospectus / basis of allotment advertisement, as applicable.
- Price on NSE or BSE is considered for the above calculations as per the designated stock exchange disclosed by the respective issuer at the time of the issue, as applicable.
- % 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.
- Wherever 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.
- The Nifty 50 or S&P BSE SENSEX index is considered as the benchmark index as per the designated stock exchange disclosed by the respective issuer at the time of the issue, as applicable.
- Not applicable – Period not completed.

2. Summary statement of price information of past issues (during current Financial Year and two Financial Years preceding the current Financial Year) handled by DAM Capital Advisors Limited:

Financial Year	Total no. of IPOs	Total funds raised (₹ in Millions)	Nos. of IPOs trading at discount on as on 30 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at premium on as on 30 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at discount as on 180 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at premium as on 180 <sup>th</sup> calendar days from listing date		
			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%
2023-24	7	65,836.15	-	-	3	-	1	2	-	-	-	-	-	1
2022-23	4	32,735.54	-	1	1	-	1	1	-	1	1	1	-	1
2021-22	8	136,678.74	-	-	4	2	-	2	-	2	2	-	1	3

Source: www.nseindia.com and www.bseindia.com

Notes:

- The information is as on the date of this offer document
- The information for each of the financial years is based on issues listed during such financial year.
- Since 30 or 180 calendar days from listing date has not elapsed for few issues, hence data for same is not available.

• **Jefferies India Private Limited**

1. Price information of past issues handled by Jefferies India Private Limited:

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1	Concord Biotech Limited	15,505.21	741.00*	August 18, 2023	900.05	+36.82% [+4.57%]	+76.23% [+2.36%]	+93.81% [+11.94%]
2	Mankind Pharma Limited	43,263.55	1,080.00	May 9, 2023	1,300.00	+37.61% [+2.52%]	+74.13% [+6.85%]	+64.36% [+5.28%]
3	KFin Technologies	15,000.00	366.00	December 29, 2022	367.00	-13.55% [-3.22%]	-24.56% [-6.81%]	-4.48% [+2.75%]
4	Global Health Limited	22,055.70	336.00	November 16, 2022	401.00	+33.23% [-0.03%]	+35.94% [-3.47%]	+61.67% [-0.52%]
5	CMS Info Systems Limited	20,000.00	216.00	December 31, 2021	220.00	+21.99% [-1.81%]	+25.35% [0.74%]	+3.75% [8.71%]
6	Star Health and Allied Insurance Company Limited	64,004.39	900.00 <sup>@</sup>	December 10, 2021	845.00	-14.78% [+1.72%]	-29.79% [-6.66%]	-22.21% [-6.25%]
7	PB Fintech Limited	57,097.15	980.00	November 15, 2021	1,150.00	14.86% [-4.33%]	-20.52% [-4.06%]	-34.16% [-12.85%]

Source: www.nseindia.com

Notes:

- \* - A Discount of ₹ 70 per equity was offered to eligible employees bidding in the employee reservation portion.
- @ - A Discount of ₹ 80 per equity share to eligible employees bidding in the employee reservation portion.
- The S&P CNX NIFTY is considered as the Benchmark Index.
- Price on NSE or BSE is considered for all of the above calculations as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable. In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered.
- Not Applicable – Period not completed.

2. Summary statement of price information of past public issues handled by Jefferies India Private Limited:

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount - 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 180 <sup>th</sup> calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023	–	2	58,768.7	-	-	-	-	2	-	-	-	2	-	-
2024			6											
2022	–	2	37,055.7	-	-	1	-	1	-	-	1	1	-	-
2023			0											
2021	–	3	121,101.54	-	-	1	-	-	2	-	1	1	-	1
2022														

The information for each of the financial years is based on issues listed during such financial year.

- JM Financial Limited**

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by JM Financial Limited:

Sr. No.	Issue name	Issue Size ( million)	Issue price (₹)	Listing Date	Opening price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180 <sup>th</sup> calendar days from listing
1.	Apeejay Surrendra Park Hotels Limited* <sup>12</sup>	9,200.00	155.00	February 12, 2024	186.00	Not Applicable	Not Applicable	Not Applicable
2.	Innova Captab Limited*	5,700.00	448.00	December 29, 2023	452.10	15.16% [-1.74%]	Not Applicable	Not Applicable
3.	Happy Forgings Limited*	10,085.93	850.00	December 27, 2023	1,000.00	14.06% [-1.40%]	Not Applicable	Not Applicable
4.	Muthoot Microfin Limited <sup>#11</sup>	9,600.00	291.00	December 26, 2023	278.00	-20.77% [-0.39%]	Not Applicable	Not Applicable
5.	DOMS Industries Limited <sup>#10</sup>	12,000.00	790.00	December 20, 2023	1,400.00	80.59% [0.97%]	Not Applicable	Not Applicable
6.	Fedbank Financial Services Limited* <sup>9</sup>	10,922.64	140.00	November 30, 2023	138.00	-2.75% [7.94%]	Not Applicable	Not Applicable
7.	Tata Technologies Limited <sup>#</sup>	30,425.14	500.00	November 30, 2023	1,199.95	136.09% [7.84%]	Not Applicable	Not Applicable
8.	ASK Automotive Limited*	8,339.13	282.00	November 15, 2023	303.30	2.73% [7.66%]	6.29% [9.86%]	Not Applicable
9.	Honasa Consumer Limited* <sup>8</sup>	17,014.40	324.00	November 7, 2023	330.00	17.58% [7.89%]	34.77% [12.61%]	Not Applicable
10.	Cello World Limited* <sup>7</sup>	19,000.00	648.00	November 6, 2023	829.00	21.92% [7.44%]	32.99% [12.58%]	Not Applicable

Source: [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com)

# BSE as Designated Stock Exchange

\* NSE as Designated Stock Exchange

Notes:

(1) Opening price information as disclosed on the website of the Designated Stock Exchange.

(2) Change in closing price over the issue/offer price as disclosed on Designated Stock Exchange.

(3) For change in closing price over the closing price as on the listing date, the CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.

(4) In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.

(5) 30<sup>th</sup> calendar day has been taken as listing date plus 29 calendar days; 90<sup>th</sup> calendar day has been taken as listing date plus 89 calendar days; 180<sup>th</sup> calendar day has been taken as listing date plus 179 calendar days.

(6) Restricted to last 10 issues.

(7) A discount of Rs. 61 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.

(8) A discount of Rs. 30 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.

(9) A discount of Rs. 10 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.

(10) A discount of Rs. 75 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.

(11) A discount of Rs. 14 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.

(12) A discount of Rs. 7 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.

(13) Not Applicable - Period not completed

2. Summary statement of price information of past public issues handled by JM Financial Limited:

Financial Year	Total no. of IPOs	Total funds raised ( ` Millions)	Nos. of IPOs trading at discount on as on 30 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at premium on as on 30 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at discount as on 180 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at premium as on 180 <sup>th</sup> calendar days from listing date		
			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%
2023-2024	19	2,36,995.32	-	-	3	4	4	7	-	-	-	1	-	2
2022-2023	11	3,16,770.53	-	1	3	-	5	2	-	2	2	2	3	2
2021-2022	17	2,89,814.06	-	1	2	5	5	4	1	2	3	4	3	4

\*The information is as on the date of this Prospectus.

The information for each of the financial years is based on issues listed during such financial year.

- SBI Capital Markets Limited**

- Price information of past issues (during the current Fiscal and the two Fiscals immediately preceding the current Financial Year) handled by SBI Capital Markets Limited:

Sr. No.	Issue Name**	Issue Size (₹ Mn.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1	Medi Assist Healthcare Services Ltd@	11,715.77	418.00	January 23, 2024	465.00	-	-	-
2	Jyoti CNC Automation Limited#	10,000.00	331.00	January 16, 2024	370.00	-	-	-
3	Azad Engineering Limited@	7,400.00	524.00	December 28, 2023	710.00	+29.06% [-2.36%]	-	-
4	Muthoot Microfin Limited <sup>(1)</sup> @	9,600.00	291.00	December 26, 2023	278.00	-20.77% [-0.39%]	-	-
5	Indian Renewable Energy Development Agency Limited#	21,502.12	32.00	November 29, 2023	50.00	+204.06% [+8.37%]	-	-

6	Updater Services Ltd@	6,400.00	300.00	October 4, 2023	299.90	-13.72% [-1.76%]	+9.05% [+10.80%]	-
7	JSW Infrastructure Limited@	28,000.00	119.00	October 3, 2023	143.00	+41.34% [-2.93%]	+75.04% [+10.27%]	-
8	Yatra Online Limited@	7,750.00	142.00	September 28, 2023	130.00	-11.06% [-2.63%]	-0.21% [+8.90%]	-
9	Senco Gold Limited#	4,050.00	317.00	July 14, 2023	430.00	+25.28% [-0.70%]	+105.32% [+1.26%]-	+130.13% [+10.12%]
10	Tamilnad Mercantile Bank Limited @	8,078.40	510.00	September 15, 2022	510.00	-8.43% [-3.36%]	+2.14% [+4.34%]	-15.82% [-2.83%]

Source: www.nseindia.com and www.bseindia.com

Notes:

\* The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days is a trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.

\*\* The information is as on the date of this document.

\* The information for each of the financial years is based on issues listed during such financial year.

@ The S&P BSE SENSEX index is considered as the Benchmark Index, BSE being the designated stock exchange

# The Nifty 50 index is considered as the Benchmark Index, NSE being the designated stock exchange

1 Price for eligible employee was Rs 277.00 per equity share

2. Summary statement of price information of past public issues handled by SBI Capital Markets Limited:

Financial Year	Total no. of IPOs #	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount - 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 180 <sup>th</sup> calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023-24*	9	97417.88	1	-	3	-	3	-	-	-	-	1	-	-
2022-23	3	2,28,668.02	-	1	2	-	-	-	-	1	1	-	1	-

Financial Year	Total no. of IPOs #	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount - 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 180 <sup>th</sup> calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22	10	2,17,814.28	-	-	6	1	2	1	-	3	1	3	-	3

\*The information is as on the date of this Offer Document.

#Date of Listing for the issue is used to determine which financial year that particular issue falls.

## Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the BRLMs, as set forth in the table below:

Sr. No	Name of the BRLM	Website
1.	ICICI Securities Limited	<a href="http://www.icicisecurities.com/">http://www.icicisecurities.com/</a>
2.	DAM Capital Advisors Limited	<a href="https://www.damcapital.in">https://www.damcapital.in</a>
3.	Jefferies India Private Limited	<a href="https://www.jefferies.com/">https://www.jefferies.com/</a>
4.	JM Financial Limited	<a href="https://www.jmfl.com/">https://www.jmfl.com/</a>
5.	SBI Capital Markets Limited	<a href="https://www.sbicaps.com/">https://www.sbicaps.com/</a>

## Stock Market Data of Equity Shares

This being an initial public offer of our Company, 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 between the Registrar to the Offer, our Company and the Selling Shareholders provides for retention of records with the Registrar to the Offer for a period of at least eight years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder was required to give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, UPI ID, PAN, 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. Anchor Investors are required to address all grievances in relation to the Offer to the BRLMs. Further, the Bidder was required to also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

For offer related grievance investors may contact Book Running Lead Managers, details of whom are given in “*General Information*” on page 82.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders.

Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with their obligations under applicable SEBI ICDR Regulations.

Investors can contact the Vice President - General Counsel, Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer 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.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and the SEBI circular bearing number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022, and subject to any applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in the events of delayed unblock for cancelled/ withdrawn/ deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-

allotted/partially-allotted applications, for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Managers shall compensate the investors at the rate higher of ₹ 100 or 15% per annum of the application amount for the period of such delay.

The Company has obtained authentication on the SCORES and comply with the SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013, SEBI circular bearing number CIR/OIAE/1/2014 dated December 18, 2014, SEBI circular no. SEBI/HO/OIAE/IGRD/CIR/P/2019/86 dated August 2, 2019, and SEBI circular bearing number SEBI/HO/OIAE/IGRD/CIR/P/2021/642 dated October 14, 2021, and any amendment thereto in relation to redressal of investor grievances through SCORES.

Our Company has constituted a Stakeholders' Relationship Committee which is responsible for redressal of grievances of security holders of our Company. For details, see "*Our Management*" on page 250.

Our Company has appointed Jayant Prakash as our Vice President - General Counsel, Company Secretary and Compliance Officer for the Company who may be contacted in case of any pre-Offer or post-Offer related grievances. His contact details are as follows:

**Jayant Prakash**

Vice President - General Counsel, Company Secretary and Compliance Officer

**E-mail:** jayant.prakash@enterohealthcare.com

**Tel.:** +91- 22-6901 9105

Our Company has not received any investor complaint during the three years preceding the date of this Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of this Prospectus.

**Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Offer 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.

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

Our Company filed an exemption application dated July 17, 2023 with the SEBI seeking a relaxation under Regulation 300(1) of the SEBI ICDR Regulations for eligibility of Equity Shares arising from the conversion of Preference Shares (that were fully paid and held by the Promoters for a continuous period of more than one year) for computation of the minimum Promoters' contribution in terms Regulation 15 of the SEBI ICDR Regulations, to the extent there is a shortfall in meeting the minimum Promoters' contribution requirement. Pursuant to the letter from the SEBI dated September 1, 2023, the SEBI has granted such relaxation to the extent there is a shortfall in meeting the minimum Promoters' contribution requirements.



## SECTION VII – OFFER INFORMATION

### TERMS OF THE OFFER

The Equity Shares issued, offered and Allotted and transferred pursuant to the Offer were and shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, SEBI Listing Regulations, the terms of the Red Herring Prospectus, this Prospectus, the abridged prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in other documents/certificates that may be executed in respect of the Offer. 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 Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

#### **The Offer**

The Offer comprised of a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders. Expenses for the Offer shall be shared amongst our Company and the Selling Shareholders in the manner specified in “*Objects of the Offer*” on page 116.

#### **Ranking of the Equity Shares**

The Equity Shares offered/Allotted and transferred pursuant to the Offer shall be and are subject to the provisions of the Companies Act, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including in respect of the right to receive dividend, voting and other corporate benefits. For further details, see “*Main Provisions of Articles of Association*” beginning on page 535.

#### **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 and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see “*Dividend Policy*” and “*Main Provisions of Articles of Association*” beginning on pages 278 and 535, respectively.

#### **Face Value, Offer Price, Floor Price and Price Band**

The face value of each Equity Share is ₹ 10 each and the Offer Price at the lower end of the Price Band is ₹1,195 per Equity Share and at the higher end of the Price Band is ₹1,258 per Equity Share. The Anchor Investor Offer Price is ₹1,258 per Equity Share. The Offer Price, Price Band and the minimum Bid Lot size for the Offer and Employee Discount were decided by our Company in consultation with the BRLMs, and advertised in all editions of The Financial Express, an English national daily newspaper, and all editions of Jansatta, a Hindi national daily newspaper and Faridabad edition of Satyajay Times, a Hindi daily newspaper (Hindi also being the regional language of Haryana wherein our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date and was made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, was pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Cap Price was at least 105% of the Floor Price. At any given point of time, there shall be only one denomination for the Equity Shares. There are no outstanding equity shares of the Company having superior voting rights compared to the 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 equity 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 SEBI Listing Regulations and the Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see “*Main Provisions of Articles of Association*” beginning on page 535.

## **Allotment 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 on the Stock Exchanges. In this context, our Company has entered into the following agreements with the respective Depositories and Registrar to the Offer:

- Tripartite agreement dated July 13, 2023, amongst our Company, NSDL and Registrar to the Offer.
- Tripartite agreement dated July 11, 2018, amongst our Company, CDSL and Registrar to the Offer.

## **Employee Discount**

Employee discount was offered to Eligible Employees bidding in the Employee Reservation Portion respectively. Eligible Employees bidding in the Employee Reservation Portion respectively at a price within the Price Band could make payment based on, Bid Amount net of Employee Discount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price had to ensure payment at the Cap Price, less Employee Discount, at the time of making a Bid.

## **Market Lot and Trading Lot**

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be in multiples of one Equity Share subject to a minimum Allotment of 11 Equity Shares. For further details, see “*Offer Procedure*” beginning on page 514.

## **Joint Holders**

Subject to the provisions of the Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

## **Nomination facility to investors**

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, the sole Bidder, or the first Bidder along with other joint Bidders, could 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 to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. 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/alienation 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, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer 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 Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

#### **Bid/Offer Programme**

<b>BID/ OFFER OPENED ON</b>	<b>February 9, 2024, Friday</b>
<b>BID/ OFFER CLOSED ON</b>	<b>February 13, 2024, Tuesday</b>

An indicative timetable in respect of the Offer is set out below:

<b>Event</b>	<b>Indicative Date</b>
Bid/Offer Closing Date	February 13, 2024, Tuesday
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about February 14, 2024, Wednesday
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account*	On or about February 15, 2024, Thursday
Credit of the Equity Shares to depository accounts of Allottees	On or about February 15, 2024, Thursday
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about February 16, 2024, Friday

\* In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The Book Running Lead Managers shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Book Running Lead Managers shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. The Bidder shall be compensated in the manner specified in the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circulars dated June 2, 2021 and April 20, 2022 and master circular dated June 21, 2023, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with the UPI Circulars.

**The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company, our Selling Shareholders or the BRLMs.**

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within the time prescribed under applicable law, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Any circulars or notifications from SEBI after the date of this Prospectus may result in changes to the listing timelines. Further, the Offer procedure is subject to change basis any revised SEBI circulars to this effect.

**Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within the time prescribed under applicable law, the timetable may be extended due to various factors, such as any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. Each of the Selling Shareholders confirm that they shall provide all required information, support and cooperation as may be required by our Company and the BRLMs for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within the time period as may be prescribed by SEBI.**

**Submission of Bids (other than Bids from Anchor Investors):**

<b>Bid/Offer Period (except the Bid/Offer Closing Date)</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))
<b>Bid/Offer Closing Date*</b>	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For RIIs, other than QIBs and Non-Institutional Investors	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications of QIBs and Non-Institutional Investors)	Only between 10.00 a.m. and up to 12.00 p.m. IST
<b>Modification/ Revision/cancellation of Bids</b>	
Upward Revision of Bids by QIBs and Non-Institutional Investors categories <sup>#</sup>	Only between 10.00 a.m. on the Bid/Offer Opening Date and up to 5.00 p.m. IST on Bid/Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIIs	Only between 10.00 a.m. on the Bid/Offer Opening Date and up to 5.00 p.m. IST on Bid/Offer Closing Date

\*UPI mandate end time and date was at 5:00 pm on the Bid/Offer Closing Date.

<sup>#</sup>QIBs and Non-Institutional Investors could neither revise their bids downwards nor cancel/ withdraw their Bids

On Bid/Offer Closing Date, extension of time could have been granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders and Eligible Employees under the Employee Reservation Portion, after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, have been rejected.**

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders were advised to submit their Bids one day prior to the Bid/Offer Closing Date. Any time mentioned in the Red Herring Prospectus was IST. Bidders were cautioned that, in the event a large number of Bids was received on the Bid/Offer Closing Date, some Bids might not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded were not considered for allocation under this Offer. Bids were accepted only during Working Days.

Investors could please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids were not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders were uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

In case of discrepancy in data entered in the electronic book vis-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 were taken as the final data for the purpose of Allotment.

### **Minimum Subscription**

If our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR), including through devolvement of Underwriters, as applicable, within 60 days from the date of Bid/ Offer Closing Date on the date of closure of the Offer or; the minimum subscription of 90% of the Fresh Issue on the date of closure of the Offer; or 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 so offered under the offer document, our Company, to the extent applicable, shall forthwith refund the entire subscription amount received in accordance with applicable law including the master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum. In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR, the Allotment for the valid Bids will be made in the first instance towards subscription for 90% of the Fresh Issue. If there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made towards Equity Shares offered by the Selling Shareholders in proportion to the Offered Shares being offered by the Selling Shareholders and then, towards the balance Fresh Issue.

The Selling Shareholders shall, severally and not jointly, reimburse, in proportion to the respective portion of its Offered Shares, any expenses and interest incurred by our Company on behalf of it for any delays in making refunds as required under the Companies Act and any other applicable law, provided that any Selling Shareholder shall not be responsible or liable for payment and/ or reimbursement of such expenses towards refund or interest thereon for any delay, unless such delay has been caused by any act or omission solely and directly attributable to such Selling Shareholder and in any other case the Company shall take on the responsibility to pay interest. It is clarified that such liability of a Selling Shareholder shall be limited to the extent of its respective portion of the Offered Shares.

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.

### **Arrangements for Disposal of Odd Lots**

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

### **New Financial Instruments**

Our Company is not issuing any new financial instruments through this Offer.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for lock-in of the pre-Offer capital of our Company, lock-in of the Promoters' minimum contribution under the SEBI ICDR Regulations and the Anchor Investor lock-in as provided in "*Capital Structure*" on page 93 and except as provided under the Articles of Association, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the Articles of Association. For details, see "*Main Provisions of Articles of Association*" beginning on page 535.

### **Withdrawal of the Offer**

The Offer 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 and the Selling Shareholders, in consultation with the BRLMs, reserve the right not to proceed with the Fresh Issue and the Selling Shareholders,

reserve the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of the Offered Shares, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank, in case of the UPI Bidders using the UPI Mechanism, to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company withdraws the Offer at any stage and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, this Offer 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 filing of this Prospectus with the RoC.

## OFFER STRUCTURE

The Offer was of 12,725,244<sup>#</sup> Equity Shares for cash at a price of ₹ 1,258<sup>#</sup> per Equity Share (including a share premium of ₹ 1,248 per Equity Share) aggregating to ₹ 16,000<sup>#</sup> million (the “Offer”). The Offer comprises of a Fresh Issue of 7,955,769<sup>#</sup> Equity Shares aggregating to ₹ 10,000<sup>#</sup> million and an Offer for Sale of 4,769,475<sup>#</sup> Equity Shares aggregating up ₹6,000<sup>#</sup> million.

The Offer included a reservation of 70,237<sup>#</sup> Equity Shares, aggregating to ₹80.00<sup>#</sup> million, for subscription by Eligible Employees. The Employee Reservation Portion did not exceed 5.00% of our post-Offer paid-up equity share capital. The Offer less than the Employee Reservation Portion is the Net Offer.

The Offer and Net Offer constitute 29.25% and 29.09%, of the post-offer paid-up Equity Share capital of our Company, respectively.

<sup>#</sup>Subject to finalisation of Basis of Allotment

The Offer was made through the Book Building Process.

The face value of the Equity Shares is ₹ 10 each.

Particulars	Eligible Employees	QIBs <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation <sup>*(2)</sup>	70,237 Equity Shares	9,491,256 Equity Shares	1,898,251 Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Retail Individual Bidders	1,265,500 Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for Allotment/ allocation	The Employee Reservation Portion constituted less than 5% of the post-Offer paid-up equity share capital of our Company	75% of the Net Offer Size shall be Allotted to QIBs. However, 5% of the Net QIB Portion was available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion were also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion was available for allocation to QIBs	15% of the Net Offer or the Offer less allocation to QIBs and Retail Individual Bidders was available for allocation	10% of the Net Offer or Offer less allocation to QIBs and Non-Institutional Bidders was available for allocation
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate <sup>#</sup> , unless the Employee Reservation Portion was undersubscribed the value of allocation to an Eligible Employee did not exceed ₹200,000 (net of Employee Discount. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion was allocated, on a proportionate basis, to Eligible Employees for value exceeding ₹200,000 (net of	Proportionate as follows (excluding the Anchor Investor Portion): 189,826 Equity Shares were available for allocation on a proportionate basis to Mutual Funds only; and 3,606,677 Equity Shares shall be Allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above 5,694,753 Equity Shares were allocated on a	One third of the portion available to Non-Institutional Bidders was reserved for applicants with application size of more than ₹ 0.2 million and up to ₹ 1 million. Two thirds of portion available to Non-Institutional Bidders was reserved for applicants with application size more than ₹ 1 million. Allotment of Equity Shares to Non-Institutional Investor	The allotment to each Retail Individual Bidder 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. For details, see “Offer Procedure” beginning on page 514.

Particulars	Eligible Employees	QIBs <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders
	Employee Discount), subject to total Allotment to an Eligible Employee not exceeding ₹500,000 (net of Employee Discount).	discretionary basis to Anchor Investors	shall not be less than ₹ 0.2 million, and any balance Equity Shares, if any, shall be allotted on a proportionate basis.	
Mode of Bid	Only through the ASBA process (except for Anchor Investors)			
Minimum Bid	11 Equity Shares in multiples of 11 Equity Shares thereafter	Such number of Equity Shares in multiples of 11 Equity Shares so that the Bid Amount exceeds ₹200,000	Such number of Equity Shares in multiples of 11 Equity Shares so that the Bid Amount exceeds ₹200,000	11 Equity Shares
Maximum Bid	Such number of Equity Shares and in multiples of 11 Equity Shares, so that the maximum Bid Amount by each Eligible Employee in Eligible Employee Portion does not exceed ₹500,000, less Employee Discount, if any	Such number of Equity Shares in multiples of 11 Equity Shares so that the Bid does not exceed the size of the Offer (excluding the Anchor Portion), subject to applicable limits, applicable to each Bidder	Such number of Equity Shares in multiples of 11 Equity Shares so that the Bid does not exceed the size of the Offer, (excluding the QIB Portion), subject to applicable limits, applicable to each Bidder	Such number of Equity Shares in multiples of 11 Equity Shares so that the Bid Amount does not exceed ₹200,000
Bid Lot	11 Equity Shares and in multiples of 11 Equity Shares thereafter			
Mode of allotment	Compulsorily in dematerialised form			
Allotment lot	11 Equity Shares and in multiples of one Equity Share thereafter			
Trading lot	One Equity Share			
Who can apply <sup>(3)</sup>	Eligible Employees	Public financial institutions as specified in section 2(72) of the Companies Act 2013, scheduled commercial banks, Mutual Funds, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million registered with the Pension Fund Regulatory and Development Authority, National Investment Fund set up by the Government, the insurance funds set up and managed by army, navy or air force of the Union of India,	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions societies, trusts, family offices and FPIs who are individuals, corporate bodies and family offices	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)



Particulars	Eligible Employees	QIBs <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders
		insurance funds set up and managed by the Department of Posts, India and NBFC-SI		
Terms of payment	<p><b>In case of Anchor Investors:</b> Full Bid Amount was 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 was blocked in the bank account of the ASBA Bidder (other than Anchor Investors) that is specified in the ASBA Form at the time of submission of the ASBA Form</p>			

\* Assuming full subscription in the Offer.

<sup>#</sup>Eligible Employees Bidding in the Employee Reservation Portion could Bid up to a Bid Amount of ₹500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion was considered for allocation, in the first instance, for a Bid Amount of up to ₹200,000. In the event of under-subscription in the Employee Reservation Portion the unsubscribed portion was available for allocation and Allotment, proportionately to all Eligible Employees who Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000. Further, an Eligible Employee Bidding in the Employee Reservation Portion could also Bid in the Net Offer and such Bids were not treated as multiple Bids subject to applicable limits. Eligible Employee could also apply under Retail Portion. However, Bids by Eligible Employees in the Employee Reservation Portion and in the Non-Institutional Portion were treated as multiple Bids, only if Eligible Employee made an application of more than ₹200,000 (net of employee discount) in the Employee Reservation Portion. The unsubscribed portion if any, in the Employee Reservation Portion was added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription was permitted from the Employee Reservation Portion

- (1) Our Company in consultation with the BRLMs, allocated 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 was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the price at which allocation was being made to other Anchor Investors. For details, see “Offer Procedure” beginning on page 514.
- (2) Subject to valid Bids having been received at or above the Offer Price. This Offer was made in accordance with Rule 19(2)(b) of the SCRR and under Regulation 6(2) of the SEBI ICDR Regulations.
- (3) If the Bid was submitted in joint names, the Bid cum Application Form could 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 was required in the Bid cum Application Form and such First Bidder was deemed to have signed on behalf of the joint holders. Bidders were required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they were eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares. Further, an Eligible Employee Bidding in the Employee Reservation Portion could also Bid under the Net Offer and such Bids shall not be treated as multiple Bids. To clarify, an Eligible Employee Bidding in the Employee Reservation Portion above ₹500,000 was not allowed to Bid in the Net Offer as such Bids were treated as multiple Bids.
- (4) Full Bid Amount was payable by the Anchor Investors at the time of submission of the Anchor Investor Application Form, provided that any difference between the price at which Equity Shares were allocated to the Anchor Investors and the Anchor Investor Offer Price, was payable by the Anchor Investor pay-in date as mentioned in the CAN.

The Bids by FPIs with certain structures as described under “Offer Procedure - Bids by FPIs” on page 520 and having the same PAN could be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) could be proportionately distributed.

Eligible Employees Bidding in the Employee Reservation Portion at a price within the Price Band could make payment based on Bid Amount, at the time of making a Bid. Eligible Employees Bidding in the Employee Reservation Portion at the Cut-Off Price had to ensure payment at the Cap Price, at the time of making a Bid.

Subject to valid Bids having been received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion was allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion was not allowed to be met with spill-over from other categories or a combination of categories. For further details, see “Terms of the Offer” on page 505.

## OFFER PROCEDURE

All Bidders were required to read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 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 BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer especially in relation to the process for Bids by the UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders were advised to refer to the General Information Document for information in relation to (i) Category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Bidders/Applicants; (v) Issuance of CAN and allotment in the Offer; (vi) General instructions (limited to instructions for completing the Bid Form); (vii) Submission of Bid cum Application Form; (viii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) disposal of application (x) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (xi) mode of making refunds; (xii) Designated Date and (xiii) interest in case of delay in allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“**UPI**”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“**UPI Phase I**”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds was discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 had extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders (“**UPI Phase III**”) and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (“**T+3 Notification**”) and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Offer was undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. Subsequently, vide the SEBI RTA Master Circular, consolidated the circulars no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 to the extent relevant for RTAs, and rescinded these circulars. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application sizes are up to ₹500,000 shall use the UPI Mechanism. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories). These circulars are effective for initial public offers opening on/or after May 1, 2021, and the provisions of these circulars, as amended, are deemed to form part of this Prospectus

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at

*a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. Additionally, SEBI vide its circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 has reduced the time period for refund of application monies from 15 days to four days. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.*

*The BRLMs shall be the nodal entity for any issues arising out of the public issuance process. In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in the RTA Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and the BRLMs shall continue to coordinate with intermediaries involved in the said process.*

*Our Company, the Selling Shareholders and the BRLMs 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 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 the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus or as will be specified in this Prospectus.*

*Further, our Company, the Selling Shareholders and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.*

### **Book Building Procedure**

The Offer was made through the Book Building Process, in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Net Offer was allocated on a proportionate basis to the QIBs, provided that our Company in consultation with the BRLMs, allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares were added to the Net QIB Portion. Further, 5% of the Net QIB Portion was available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion was available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. Further, not more than 15% of the Net Offer was available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Net Offer was available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price. All potential Bidders (except Anchor Investors) were required to mandatorily utilise the ASBA process providing details of their respective ASBA accounts, and UPI ID (in case of UPI Bidders) if applicable, in which the corresponding Bid Amounts was blocked by the SCSBs or under the UPI Mechanism, as applicable. The Offer included a reservation of 70,237<sup>#</sup> Equity Shares, aggregating to ₹ 80<sup>#</sup> million, for subscription by Eligible Employees. The Employee Reservation Portion did not exceed 5.00% of our post-Offer paid-up equity share capital subject to valid Bids being received at or above the Offer Price.

<sup>#</sup>*Subject to finalisation of Basis of Allotment*

Under-subscription, if any, in any category, except in the QIB Portion, was allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange subject to receipt of valid Bids having been received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, was not allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized mode on the platform of the Stock Exchanges.

**Bidders were required to note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which did not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, for the UPI Bidders using the UPI Mechanism, were treated as incomplete and were rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.**

**Investors were required to ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021 and September 17, 2021.**

### **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 (and subsequently, all UPI Bidders) through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a 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. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase.

**Phase III:** SEBI vide press release bearing number 12/2023 announced approval of proposal for reducing the time period for listing of shares in public issue from existing six working days to three working days and pursuant to SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (“**T+3 Notification**”), this phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Offer was made under UPI Phase III as notified in the T+3 Notification, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law.

Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the BRLM responsible for post-offer activities will be required to compensate the concerned investor.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. The issuers will be required to appoint one of the SCSBs as a sponsor bank(s) to act as conduits between the Stock Exchanges and NPCI in order to facilitate collection of requests and /or payment instructions of the UPI Bidders using the UPI.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

## Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus were available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the Bid cum Application Form were 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/Offer Opening Date.

Copies of the Anchor Investor Application Form were available with the BRLMs.

All Bidders (other than Anchor Investors) could mandatorily participate in the Offer only through the ASBA process. Anchor Investors were not permitted to participate in the Offer through the ASBA process. The UPI Bidders could additionally Bid through the UPI Mechanism.

UPI Bidders using the UPI Mechanism had to provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that did not contain the UPI ID were liable to be rejected. UPI Bidders bidding using the UPI Mechanism could also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

ASBA Bidders (those not using UPI Mechanism) had to provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that did not contain such details were liable to be rejected. The ASBA Bidders had to ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022

ASBA Bidders had to ensure that the Bids were made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp were liable to be rejected. UPI Bidders using UPI Mechanism, could 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 could submit their ASBA Forms with the SCSBs. ASBA Bidders had to 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 Banks, as applicable at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/unblocked.

The prescribed colour of the Bid cum Application Form for the various categories was 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
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral 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

Notes:

(1) 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))

(2) Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLMs

In case of ASBA forms, the relevant Designated Intermediaries uploaded the relevant bid details in the electronic bidding system of the Stock Exchanges. For ASBA Forms (other than UPI Bidders using UPI Mechanism) Designated Intermediaries (other than SCSBs) submitted/ delivered the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges were required to validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges allowed modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For UPI Bidders using the UPI Mechanism, the Stock Exchanges shared the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis through API integration to enable the Sponsor Banks to initiate a UPI Mandate Request to such UPI Bidders for blocking of funds. The Sponsor Banks initiated request for blocking of funds through NPCI to UPI Bidders, who accepted the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI was required to maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Banks, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI was required to share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the issuer bank. The Sponsor Banks and the Bankers to the Offer shall provide the audit trail to the BRLMs for analysing the same and fixing liability.

The processing fees for applications made by the UPI Bidders using the UPI Mechanism could be released to the SCSBs only after such SCSBs provide a written confirmation in compliance with the SEBI RTA Master Circular, in a format prescribed by SEBI or applicable law.

Pursuant to NSE circular dated July 22, 2022 with reference no. 23/2022 and BSE circular dated July 22, 2022 with reference no. 20220722-30, it has been mandated that Trading Members, Syndicate Members, RTA and Depository Participants shall submit Syndicate ASBA bids above ₹500,000 and NII & QIB bids above ₹200,000, through SCSBs only.

For all pending UPI Mandate Requests, the Sponsor Banks shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Offer Closing Date (“**Cut-Off Time**”). Accordingly, UPI Bidders Bidding using through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The Sponsor Banks were required to undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Banks were required to undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Banks and issuer banks were required to download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

## **ELECTRONIC REGISTRATION OF BIDS**

- (a) The Designated Intermediary could register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries could also set up facilities for off-line electronic registration of Bids, subject to the condition that they could 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/Offer Closing Date, the Designated Intermediaries could upload the Bids till such time as was permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.
- (c) Only Bids that were uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 5:00 pm on the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) sent the bid information to the Registrar to the Offer for further processing.

**The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A and referred to in this Prospectus as “U.S. QIBs”) pursuant to Section 4(a) of the U.S. Securities Act, and (ii) outside the United States in offshore transactions as defined in and in compliance with Regulation S and the applicable laws of the jurisdiction where those 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.**

#### **Important Information for Investors – Eligibility and Transfer Restrictions**

**Until the expiry of 40 days after the commencement of the Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in the Offer) may violate the registration requirements of the U.S. Securities Act unless made pursuant to Rule 144A under the U.S. Securities Act or another available exemption from the registration requirements of the U.S. Securities Act and in accordance with applicable securities laws of any state or other jurisdiction of the United States. The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved.**

#### **Participation by Promoters and members of the Promoter Group of the Company, the BRLMs and the Syndicate Members**

The BRLMs and the Syndicate Members were not allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members could Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation was 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 BRLMs and Syndicate Members, were treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the BRLMs or any associates of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associates of the BRLMs) nor (ii) any “person related to the Promoters/ Promoter Group” could apply in the Offer under the Anchor Investor Portion.

For the purposes of this section, a QIB who had any of the following rights was deemed to be a “person related to the Promoters/ Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoters or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board. Further, an Anchor Investor was deemed to be an associate of the BRLMs, 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 BRLMs.

The Promoters and members of the Promoter Group will not participate in the Offer except to the extent of the Offered Shares.

#### **Bids by Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate was required to be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the BRLMs reserved the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds had to specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid could have been made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund were not treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid had been made.



No Mutual Fund scheme shall invest more than 10% of its NAV 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 schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

### **Bids by Eligible NRIs**

Eligible NRIs could obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange were considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms were required to authorize their respective SCSB 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 were required to authorize their respective SCSB 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.

Eligible NRIs Bidding on non-repatriation basis were advised to use the Bid cum Application Form for residents (white in colour). Eligible NRIs Bidding on a repatriation basis were advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

For details of investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 534. Participation of Eligible NRIs was subject to the FEMA Non-debt Instruments Rules.

### **Bids by HUFs**

Hindu Undivided Families or HUFs was to be made in the individual name of the Karta. The Bidder/Applicant was required to 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 was considered at par with Bids/Applications from individuals.

### **Bids by FPIs**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Non-debt Instruments Rules, the total holding by each FPI, of an investor group, shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be the sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis.

In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. Bids by FPIs which utilise the multi investment manager structure, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs may not be treated as multiple Bids.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such



offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (a) such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

The FPIs who wished to participate in the Offer were advised to use the Bid cum Application Form for non-residents. Bids received from FPIs bearing the same PAN were treated as multiple Bids and were liable to be rejected, except for Bids from FPIs that utilized the multiple investment manager structure in accordance with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations (such structure referred to as “**MIM Structure**”), provided such Bids were made with different beneficiary account numbers, Client IDs and DP IDs.

Accordingly, it should be noted that multiple Bids received from FPIs, who did not utilize the MIM Structure, and bear the same PAN, were liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilized the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids were rejected.

#### **Bids by SEBI registered VCFs, AIFs and FVCIs**

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 (“**SEBI VCF Regulations**”) as amended, inter alia prescribe the investment restrictions on VCFs, registered with SEBI. The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (“**SEBI AIF Regulations**”) prescribe, amongst others, the investment restrictions on AIFs. The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 as amended (“**SEBI FVCI Regulations**”) prescribe the investment restrictions on FVCIs.

Accordingly, the holding in any company by any individual VCF or FVCIs registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offering.

Category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A Category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

Participation of VCFs, AIFs or FVCIs in the Offer shall be subject to the FEMA Rules.

**All non-resident investors were required to note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

Our Company, the Selling Shareholders or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **Bids by Eligible Employees**

The Bid was required to be for a minimum of 11 Equity Shares and in multiples of 11 Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee did not exceed ₹500,000. The Allotment in the Employee Reservation Portion will be on a proportionate basis. Eligible Employees under the Employee Reservation Portion could Bid at Cut-off Price provided that the Bid did not exceed ₹500,000.

However, Allotments to Eligible Employees in excess of ₹200,000 shall be considered on a proportionate basis, in the event of undersubscription in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000. Subsequent undersubscription, if any, in the Employee Reservation Portion shall be added back to the Net Offer. Eligible Employees Bidding in the Employee Reservation Portion could Bid at the Cut-off Price.

Bids under Employee Reservation Portion by Eligible Employees could be:

- (a) Made only in the prescribed Bid cum Application Form or Revision Form (*i.e.*, pink colour form).
- (b) The Bidder should have been an Eligible Employee as defined. In case of joint bids, the first Bidder was to be an Eligible Employee.
- (c) Only Eligible Employees were eligible to apply in this Offer under the Employee Reservation Portion.
- (d) Only those Bids, which were received at or above the Offer Price would be considered for Allotment under this category.
- (e) The Bids were required to be for a minimum of 11 Equity Shares and in multiples of 11 Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee subject to a maximum Bid Amount of ₹500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion was considered for allocation, in the first instance, for a Bid amounting up to ₹200,000 (net of Employee Discount). In the event of any under-subscription in the Employee Reservation Portion, the unsubscribed portion was available for allocation and Allotment, proportionately to all Eligible Employees, who have bid in excess of ₹200,000 (net of Employee Discount, if any), provided however that the maximum Bid in this category by an Eligible Employee could not exceed ₹500,000 (net of Employee Discount, if any).
- (f) Eligible Employees can apply at Cut-off Price.
- (g) If the aggregate demand in this category is less than or equal to 70,237 Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- (h) Bids by Eligible Employees in the Employee Reservation Portion and in the Net Offer portion were not treated as multiple Bids. Our Company reserved the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.
- (i) Eligible Employees should mention their employee number at the relevant place in the Bid cum Application Form or Revision Form.
- (j) Under-subscription, if any, in the Employee Reservation Portion was added back to the Net Offer.

In case of under-subscription in the Net Offer, spill over to the extent of under-subscription was permitted from the Employee Reservation Portion. If the aggregate demand in this category is greater than 70,237 Equity Shares at or above the Offer Price, the allocation was made on a proportionate basis.

Please note that any individuals who were directors, employees or promoters of (a) the Lead Manager, Registrar to the Offer, or the Syndicate Members, or of the (b) 'associate companies' (as defined in the Companies Act, 2013, as amended) and 'group companies' of such Lead Manager, Registrar to the Offer or Syndicate Members were not eligible to bid in the Employee Reservation Portion.

#### **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, was required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the BRLMs reserved 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 were required to be attached to the Bid cum Application Form, failing which our Company and the Selling Shareholders in consultation with the BRLMs reserved the right to reject any Bid without assigning any reason.

#### **Bids by SCSBs**

SCSBs participating in the Offer were required to comply with the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013. Such SCSBs were required to ensure that for making applications on their own account using ASBA, they should have had a separate account in their own name with any other SEBI registered SCSBs. Further, such account was to be used solely for the purpose of making application in public issues and clear demarcated funds were to be available in such account for such applications.

#### **Bids by insurance companies**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI was required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the BRLMs reserved the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016, as amended ("**IRDAI Investment Regulations**"), 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 were advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them.

#### **Bids by provident funds/pension funds**

In case of Bids made by provident funds or pension funds registered with the Pension Fund Regulatory and Development Authority, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund was required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the BRLMs reserves the right to reject any Bid, without assigning any reason thereof.

#### **Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable law) and pension funds registered with the Pension Fund Regulatory and Development Authority with a minimum corpus of ₹250 million, 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 was required to be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the BRLMs reserved the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Selling Shareholders in consultation with the BRLMs in their absolute discretion, reserved the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company and the Selling Shareholders in consultation with the BRLMs may deem fit.

#### **Bids by Anchor Investors**

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below.

- (a) Anchor Investor Application Forms were made available for the Anchor Investor Portion at the offices of the BRLMs.

- (b) The Bid was required to be for a minimum of such number of Equity Shares so that the Bid Amount did not exceed ₹ 100.00 million. A Bid could not be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund were aggregated to determine the minimum application size of ₹ 100.00 million.
- (c) One-third of the Anchor Investor Portion was reserved for allocation to domestic Mutual Funds.
- (d) Bidding for Anchor Investors opened one Working Day before the Bid/Offer Opening Date, and was completed on the same day.
- (e) Our Company, in consultation with the BRLMs finalised allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion were not be less than: maximum of two Anchor Investors, where allocation under the Anchor Investor Portion was up to ₹ 100.00 million; minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion was more than ₹ 100.00 million but up to ₹ 2,500.00 million, subject to a minimum Allotment of ₹ 50.00 million per Anchor Investor; and in case of allocation above ₹ 2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500.00 million, and an additional 10 Anchor Investors for every additional ₹ 2,500.00 million, subject to minimum Allotment of ₹ 50.00 million per Anchor Investor.
- (f) Allocation to Anchor Investors was completed on the Anchor Investor Bid/Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, was made available in the public domain by the BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.
- (g) Anchor Investors could not withdraw or lower the size of their Bids at any stage after submission of the Bid.
- (h) If the Offer Price was greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price was payable by the Anchor Investors on the Anchor Investor pay-in date specified in the CAN. If the Offer Price was lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.
- (i) 50% of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining 50% of the Equity Shares shall be locked-in for a period of 30 days from the date of Allotment.
- (j) Neither the BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the BRLMs or pension funds sponsored by the entities which are associate of the BRLMs) , nor any "person related to Promoters or Promoter Group" could apply in the Offer under the Anchor Investor Portion.
- (k) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion were not considered multiple Bids. The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs were not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders were advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus or as will be specified in this Prospectus.

#### **Bids by Systemically Important Non-Banking Financial Companies**

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditors, and (iii) such other approval as may be required by the

Systemically Important NBFCs, were required to be attached to the Bid cum Application Form. Failing this, our Company and Selling Shareholders in consultation with the BRLMs, reserved the right to reject any Bid without assigning any reason thereof. Systemically Important NBFCs participating in the Offer were required to comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

**In accordance with existing regulations issued by the RBI, OCBs could not participate in this Offer.**

**The above information was given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders were advised to make their independent investigations and ensure that any single Bid from them did not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.**

### **General Instructions**

#### ***Do's:***

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals.
2. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
3. Ensure that you have Bid within the Price Band;
4. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
5. Ensure that you have mentioned the correct ASBA Account number if you are not an UPI Bidder using the UPI Mechanism in the Bid cum Application Form and if you are an UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
6. UPI Bidders using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;
7. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;
8. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
9. If the first applicant is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
10. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
11. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
12. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear

as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;

13. UPI Bidders Bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for UPI Bidders using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
14. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
15. The ASBA bidders shall ensure that bids above ₹ 500,000, are uploaded only by the SCSBs
16. 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 Banks, 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, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
17. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the 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;
18. Ensure that the Demographic Details are updated, true and correct in all respects;
19. 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;
20. Ensure that the category and the investor status is indicated in the Bid cum Application Form;
21. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
22. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
23. Since the Allotment will be in demat form only, ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID (for UPI Bidders bidding through UPI mechanism) are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID (for UPI Bidders bidding through UPI mechanism) 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, PAN and UPI ID (for UPI Bidders bidding through UPI mechanism) available in the Depository database;
24. In case of UPI Bidders, once the Sponsor Bank issues the Mandate Request, the UPI Bidders would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

25. UPI Bidders bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form; UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Banks to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
26. Anchor Investors should submit the Anchor Investor Application Forms to the BRLMs;
27. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date;
28. Ensure that the PAN is linked with Aadhaar and are in compliance with notification dated February 13, 2020 and press release dated June 25, 2021 issued by Central Board of Direct Taxes;
29. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
30. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Banks to block the Bid Amount mentioned in the Bid Cum Application Form; and
31. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in)).

The Bid cum Application Form was liable to be rejected if the above instructions, as applicable, were not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

***Don'ts:***

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid for a Bid Amount exceeding ₹200,000 for Bids by Retail Individual Bidders and ₹500,000 for Bids by Eligible Employees Bidding in the Employee Reservation Portion (net of Employee Discount);
3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not Bid at Cut-off Price for Bids by QIBs and Non-Institutional Bidders;
6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

7. Do not submit the Bid for an amount more than funds available in your ASBA account.
8. 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 a Bidder;
9. In case of ASBA Bidders (other than UPI Bidders using the UPI mechanism), do not submit more than one ASBA Forms per ASBA Account;
10. If you are a UPI Bidder and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
11. Anchor Investors should not Bid through the ASBA process;
12. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
13. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
14. Do not submit the General Index Register (GIR) number instead of the PAN;
15. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if you are a UPI Bidder Bidding through the UPI Mechanism, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
16. 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;
17. 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);
18. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
19. Do not submit a Bid using UPI ID, if you are not a RIB;
20. Do not Bid on another ASBA Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
21. Do not Bid for Equity Shares in excess of what is specified for each category;
22. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;
23. 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 (subject to the Bid Amount being up to ₹200,000), can revise or withdraw their Bids on or before the Bid/Offer Closing Date;
24. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres; If you are a UPI Bidder and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;
25. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected;
26. Do not Bid if you are an OCB.



27. In case of ASBA Bidders, Syndicate Members shall ensure that they do not upload any bids above ₹ 500,000;
28. 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 UPI Bidders using the UPI Mechanism;

The Bid cum Application Form was liable to be rejected if the above instructions, as applicable, were not complied with.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Vice President - General Counsel, Company Secretary and Compliance Officer. For details of our Vice President - General Counsel, Company Secretary and Compliance Officer, see “*General Information*” on page 82.

Further, helpline details of the BRLMs pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “*General Information – Book Running Lead Managers*” on page 84.

### **Grounds for Technical Rejections**

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders were requested to note that Bids may be rejected on the following additional technical grounds:

1. Bid submitted without instruction to the SCSB to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account or UPI ID (for UPI Bidders using the UPI Mechanism) details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID, subject to availability of information from the Sponsor Banks;
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;
10. Bids by Retail Individual Bidders with Bid Amount for a value of more than ₹ 200,000;
11. GIR number furnished instead of PAN;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals; and
13. Bids accompanied by cheque(s), demand draft(s), stock invest, money order, postal order or cash.

14. Bids by QIBs uploaded after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by UPI Bidders uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges.

Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular dated March 16, 2021 read with SEBI circular dated June 21, 2023 and SEBI circulars dated June 2, 2021 and April 20, 2022 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

#### **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 BRLMs and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any allotment in excess of the Equity Shares through the Red Herring Prospectus and this Prospectus 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 Offer 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 shares, if any, shall be allotted on a proportionate basis. The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis.

The allotment of Equity Shares to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in Non-Institutional Portion, and the remaining shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

#### **Payment into Escrow Account(s) for Anchor Investors**

Our Company in consultation with the BRLMs, in their absolute discretion, decided the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account(s) were required to be drawn in favour of:

- (a) In case of resident Anchor Investors: “*Entero Healthcare Solutions Limited Anchor Investor R*”
- (b) In case of Non-Resident Anchor Investors: “*Entero Healthcare Solutions Limited Anchor Investor NR*”

Anchor Investors were required to note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders and the members of Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

#### **Pre-Offer Advertisement**

Subject to Section 30 of the Companies Act, 2013, our Company, after filing the Red Herring Prospectus with the RoC, published a pre- Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) all editions of The Financial Express, an English national daily newspaper, and (ii) all editions of Jansatta, a Hindi national daily newspaper and the Faridabad edition of the Satyajay Times, a Hindi daily newspaper (Hindi also being the regional language of the state wherein our Registered Office is located) each with wide circulation.

In the pre-Offer advertisement, we stated the Bid/Offer Opening Date and the Bid/ Offer Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, was in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

### **Signing of the Underwriting Agreement and the Filing with the RoC**

- (a) Our Company, the Selling Shareholders and the Underwriters have entered into an Underwriting Agreement on February 13, 2024.
- (b) After signing the Underwriting Agreement, the Company filed this Prospectus with the RoC in accordance with applicable law. This Prospectus contains details of the Offer Price, the Anchor Investor Offer Price, the Offer size, and underwriting arrangements and will be complete in all material respects.

### **Undertakings by our Company**

Our Company undertakes the following:

- adequate arrangements were made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors;
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- the Company shall apply in advance for the listing of equities on the conversion of debentures/bonds;
- all steps 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 the period as may be prescribed by the SEBI;
- if 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. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law for the delayed period;
- the funds required for making refunds to unsuccessful Bidders as per the mode(s) disclosed have been made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- Except for Equity Shares allotted pursuant to the Offer, no further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc other than as disclosed in accordance with Regulation 56 of SEBI ICDR Regulations;
- that the promoters' contribution in full, wherever required, was brought in advance before the Offer opens for public subscription and the balance, if any, was brought on a pro rata basis before the calls were made on public in accordance with applicable provisions in these regulations;
- Our Company and the Selling Shareholders, in consultation with the BRLMs, reserve the right not to proceed with the Offer, in whole or in part thereof, to the extent of the Offered Shares, after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed; and

- If our Company and the Selling Shareholders, in consultation with the BRLMs withdraw the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI.

### **Undertakings by the Selling Shareholders**

Each Selling Shareholder undertakes, severally and not jointly, in respect of itself as a selling shareholder and its respective portion of its Offered Shares that:

- the Offered Shares are eligible for being offered in the Offer for Sale in terms of the SEBI ICDR Regulations;
- it is the legal and beneficial owner of the Offered Shares and the Offered Shares are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances and shall be in dematerialized form at the time of transfer;
- it shall deposit its respective portion of the Offered Shares in an escrow demat in accordance with the share escrow agreement to be executed between the parties to such share escrow agreement;
- it shall provide such reasonable assistance to our Company and the BRLMs in redressal of such investor grievances that pertain to its respective portion of the Offered Shares;
- it shall provide such reasonable cooperation to our Company in relation to its respective portion of the Offered Shares for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges; and
- it shall not have recourse to the proceeds of the Offer which shall be held in escrow in favour of the selling shareholder, until final approval for trading of the Equity Shares from the Stock Exchanges has been received.

The decisions with respect to the Price Band, the minimum Bid lot, revision of Price Band, Offer Price, was taken by our Company in consultation with the BRLMs.

Only the statements and undertakings in relation to each of the Selling Shareholders and its portion of the Equity Shares offered in the Offer for Sale which are specifically “confirmed” or “undertaken” by it in this Prospectus, shall be deemed to be “statements and undertakings specifically confirmed or undertaken” by such Selling Shareholders. All other statements and/ or undertakings in this Prospectus shall be statements and undertakings made by our Company even if the same relates to the Selling Shareholders.

### **Impersonation**

**Attention of the applicants was specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:**

*“Any person who—*

- makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- 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*
- otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name*

*shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013 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.

### **Utilisation of Offer Proceeds**

Our Board of Directors certifies and declares that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- details of all monies utilised out of the Offer shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- details of all unutilised monies out of the Fresh 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 Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. The Government of India makes policy announcements on FDI through press notes and press releases. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The consolidated FDI policy circular of 2020 dated October 15, 2020 issued by the DPIIT (formerly Department of Industrial Policy & Promotion) (“**FDI Circular**”) consolidates the policy framework which was in force as on October 15, 2020. Further, the FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DPIIT. The FDI Circular will be valid until the DPIIT issues an updated circular and shall be subject to FEMA Non-debt Instruments Rules.

As per the FDI Circular read with Press Note, 100% foreign direct investment is permitted under the automatic route for wholesale trading. In terms of Press Note 3 of 2020, dated April 17, 2020 (“**Press Note**”), issued by the DPIIT, the FDI Circular has been amended to state that all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Non-debt Instruments Rules.

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 Circular and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Circular; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see “*Offer Procedure – Bids by Eligible NRIs*” and “*Offer Procedure – Bids by FPIs*” on page 520.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer. Each Bidder should seek independent legal advice about its to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Bid/Offer Period

**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 Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A and referred to in this Prospectus as “U.S. QIBs”) pursuant to Section 4(a) of the U.S. Securities Act, and (ii) outside the United States, in offshore transactions, as defined in and in compliance with Regulation S and the applicable laws of the jurisdictions where those offers and sales occur.**

**The above information is given for the benefit of the Bidders. Our Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this 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 - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

*Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. The main provisions of the Articles of Association of our Company are detailed below.*

### PRELIMINARY TABLE 'F' EXCLUDED

1. The regulations contained in the Table marked 'F' in Schedule I to the Companies Act, 2013, shall not apply to our Company, except in so far as the same are repeated, contained, or expressly made applicable in the Articles or by the said Act.
2. The regulations for the management of our Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of our Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, as amended from time to time, be such as are contained in the Articles.

### DEFINITIONS AND INTERPRETATION

In the Articles, the following words and expressions, unless repugnant to the subject, shall mean the following:

**"Act"** means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in the Articles and any previous company law, so far as may be applicable.

**"Annual General Meeting"** means the annual general meeting of our Company convened and held in accordance with the Act.

**"Articles of Association" or "Articles"** mean the Articles of association of our Company, as may be altered from time to time in accordance with the Act.

**"Board" or "Board of Directors"** means the board of directors of our Company in office at applicable times.

**"Company"** means Entero Healthcare Solutions Limited, a company incorporated under the laws of India.

**"Depository"** means a depository, as defined in clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996 and a company formed and registered under the Companies Act, 2013 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992.

**"Director"** shall mean any director of our Company, including alternate directors, Independent Directors and nominee directors appointed in accordance with and the provisions of the Articles.

**"Equity Shares or Shares"** shall mean the issued, subscribed and fully paid-up equity shares of our Company of Rs. 10/- (Rupees Ten only) each;

**"Exchange"** shall mean BSE Limited and the National Stock Exchange of India Limited.

**"Extraordinary General Meeting"** means an extraordinary general meeting of our Company convened and held in accordance with the Act;

**"General Meeting"** means any duly convened meeting of the shareholders of our Company and any adjournments thereof;

**"IPO"** means the initial public offering of the Equity Shares of our Company;

**"Member"** means the duly registered holder from time to time, of the shares of our Company and includes the subscribers to the Memorandum of Association and in case of shares held by a Depository, the beneficial owners whose names are recorded as such with the Depository;

“*Memorandum*” or “*Memorandum of Association*” means the memorandum of association of our Company, as may be altered from time to time;

“*Office*” means the registered office, for the time being, of our Company;

“*Officer*” shall have the meaning assigned thereto by the Act;

“*Ordinary Resolution*” shall have the meaning assigned thereto by the Act;

“*Register of Members*” means the register of members to be maintained pursuant to the provisions of the Act and the register of beneficial owners pursuant to Section 11 of the Depositories Act, 1996, in case of shares held in a Depository; and

## **AUTHORISED SHARE CAPITAL**

The authorised share capital of our Company shall be such amount, divided into such class(es), denomination(s) and number of shares in our Company as stated in Clause 5th of the Memorandum of Association, with power to increase or reduce such capital from time to time and power to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the Articles of our Company, subject to the provisions of applicable law for the time being in force.

## **NEW CAPITAL PART OF THE EXISTING CAPITAL**

Except so far as otherwise provided by the conditions of issue or by the Articles, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

## **KINDS OF SHARE CAPITAL**

Our Company may issue the following kinds of shares in accordance with the Articles, the Companies Act and other applicable laws:

- (a) Equity Share capital:
  - (i) with voting rights; and/or
  - (ii) with differential rights as to dividend, voting or otherwise in accordance with the Act; and
- (b) Preference share capital.

## **SHARES AT THE DISPOSAL OF THE DIRECTORS**

Subject to the provisions of the Companies Act and the Articles, the shares in the capital of our Company shall be under the control of the Board of Directors who may issue, allot or otherwise dispose of all or any of such shares 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 with the sanction of our Company in General Meeting give to any person the option or right to call for any shares either at par or at a premium during such time and for such consideration as the Board of Directors think fit.

## **CONSIDERATION FOR ALLOTMENT**

The Board of Directors may issue and allot shares of our Company as payment in full or in part, for any property purchased by our Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to our Company in the acquisition and/or in the conduct of its business; and any shares which may be so allotted may be issued as fully paid up shares and if so issued shall be deemed as fully paid up shares.

## **SUB-DIVISION, CONSOLIDATION AND CANCELLATION OF SHARE CERTIFICATE**



Subject to the provisions of the Act, our Company in its general meetings may, by an Ordinary Resolution, from time to time:

- (a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;
- (b) sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that as between the holders of the shares resulting from such sub-division one or more of such shares have some preference or special advantage in relation to dividend, capital or otherwise as compared with the others;
- (c) cancel shares which at the date of such General Meeting 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;
- (d) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; provided that any consolidation and division which results in changes in the voting percentage of Members shall require applicable approvals under the Act; and
- (e) convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denomination.

#### **FURTHER ISSUE OF SHARES**

1. Where at any time the Board or our Company, as the case may be, propose to increase the subscribed capital by the issue of further shares then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder:

- (i) to the persons who at the date of the offer are holders of the Equity Shares of our Company, in proportion as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned in (ii) to (iv) below;
- (ii) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days (or such lesser number of days as may be prescribed under applicable law) and not exceeding thirty days from the date of the offer, within which the offer if not accepted, shall be deemed to have been decline.

Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue;

- (iii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (ii) shall contain a statement of this right;
- (iv) After the expiry of time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that the person declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the Members and our Company;
- (v) to employees under any scheme of employees' stock option subject to Special Resolution passed by the shareholders of our Company and subject to the rules and such other conditions, as may be prescribed under applicable law; or
- (vi) to any person(s), if it is authorised by a Special Resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) above either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the Act and the rules made thereunder; provided that in respect of issue of shares as aforesaid, subsequent to listing of the equity shares of our Company on the Exchange(s) pursuant to the IPO, the price of the shares shall be determined in accordance with applicable provisions of regulations made by Securities and Exchange Board of India and/or other applicable laws and the requirement for determination

of price through valuation report of a registered valuer under the Act and the rules made thereunder shall not be applicable.

2. Nothing in sub-clause (iii) of Clause (1)(A) shall be deemed:
  - (i) To extend the time within which the offer should be accepted; or
  - (ii) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
3. Nothing in this Article shall apply to the increase of the subscribed capital of our Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by our Company to convert such debentures or loans into shares in our Company or to subscribe for shares of our Company. Provided that the terms of issue of such debentures or loans containing such an option have been approved before the issue of such debentures or the raising of such loans by a Special Resolution passed by our Company in a General Meeting.
4. Notwithstanding anything contained in Article 12(3) hereof, where any debentures have been issued, or loan has been obtained from any government by our Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in our Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion.

Provided that where the terms and conditions of such conversion are not acceptable to our Company, it may, within sixty days from the date of communication of such order, appeal to National Company Law Tribunal which shall after hearing our Company and the Government pass such order as it deems fit.

A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the rules made thereunder.

#### **ALLOTMENT ON APPLICATION TO BE ACCEPTANCE OF SHARES**

Any application signed by or on behalf of an applicant for shares in our Company followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of the Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register of Members, shall, for the purpose of the Articles, be a Member.

#### **RIGHT TO CONVERT LOANS INTO CAPITAL**

Notwithstanding anything contained in sub-clauses(s) of Article 12, but subject, however, to the provisions of the Act, our Company may increase its subscribed capital on exercise of an option attached to the debentures or loans raised by our Company to convert such debentures or loans into shares or to subscribe for shares in our Company.

#### **VARIATION OF SHAREHOLDERS' RIGHTS**

- (a) If at any time the share capital of our Company is divided into different classes of shares, the rights attached to the shares of any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to provisions of the Act and whether or not our Company is being wound up, be varied with the consent in writing of the holders of not less than three-fourth 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 issued shares of that class, as prescribed by the Act.
- (b) Subject to the provisions of the Act, to every such separate meeting, the provisions of the Articles relating to meeting shall mutatis mutandis apply.

#### **PREFERENCE SHARES**

- (a) **Redeemable Preference Shares**

Our Company, subject to the applicable provisions of the Act and the consent of the Board, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act, and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

**(b) Convertible Redeemable Preference Shares**

Our Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible redeemable preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for redemption at a premium or otherwise and/or conversion of such shares into such securities on such terms as they may deem fit.

**(c) Compulsorily Convertible Preference Shares**

Our Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis compulsorily convertible preference shares, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for conversion of such shares into such securities on such terms as they may deem fit.

**PAYMENTS OF INTEREST OUT OF CAPITAL**

Our Company shall have the power to pay interest out of its capital on so much of the shares which have been issued for the purpose of raising money to defray the expenses of the construction of any work or building for our Company in accordance with the Act.

**COMPROMISE, ARRANGEMENTS AND AMALGAMATIONS**

Subject to the applicable provisions of the Act, our Company is empowered to enter into any Schemes of Arrangement or compromises with its creditors and/or members of our Company and/or any class of such creditors or members, including but not limited to hive-off or demerger of any of its business or units and also to amalgamate or cause itself to be amalgamated with any other person, firm or body corporate.

**ISSUE OF SHARE CERTIFICATE**

Every Member shall be entitled, without payment, to one share certificate for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors so determine) to several share certificates, each for one or more of such shares and our Company shall complete and have ready for delivery such share certificates, unless prohibited by any provision of law or any order of court, tribunal or other authority having jurisdiction, within two (2) months from the date of allotment, or within one (1) month of the receipt of application of registration of transfer, transmission, sub division, consolidation or renewal of any of its shares as the case maybe or within a period of six (6) months from the date of allotment in the case of any allotment of debenture. In respect of any share or shares held jointly by several persons, our Company shall not be bound to issue more than one share certificate, and delivery of a share certificate for a share to one of several joint holders shall be sufficient delivery to all such joint holders.

New share certificates shall also be issued in the event of consolidation or sub-division of shares of our Company. Every such share certificate shall be issued in the manner prescribed under Section 46 of the Act and the rules framed thereunder.

Particulars of every share certificate issued shall be entered in the register of members against the name of the person, to whom it has been issued, indicating the date of issue. Every share certificate 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 our Company secretary, wherever our Company has appointed a company secretary.

**ISSUE OF NEW SHARE CERTIFICATE IN PLACE OF ONE DEFACED, LOST OR DESTROYED**

If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to our Company, a new share certificate

may be issued in lieu thereof, and if any share certificate is lost or destroyed then upon proof thereof to the satisfaction of our Company and on execution of such indemnity as our Company deem adequate, being given, a new share certificate in lieu thereof shall be given to the party entitled to such lost or destroyed share certificate. Every share certificate under the Article shall be issued upon on payment of Rupees 20 for each share certificate.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any Exchanges or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf. The provision of this Article shall *mutatis mutandis* apply to debentures of our Company.

#### **COMMISSION FOR PLACING SHARES, DEBENTURES, ETC.**

- (a) Subject to the provisions of the Act and other applicable laws, our Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) to any shares or debentures of our Company or underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares or debentures of our Company and provisions of the Act shall apply.
- (b) Our Company may also, in any issue, pay such brokerage as may be lawful.
- (c) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

#### **COMPANY'S LIEN ON SHARES / DEBENTURES**

Our Company shall subject to applicable law have a first and paramount lien:

- (a) on every share / debenture (not being a fully paid share / debenture) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share / debenture and no equitable interest in any share shall be created upon the footing and condition that this Article will have full effect; and
- (b) on all shares/debentures (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to our Company. Unless otherwise agreed, the registration of transfer of shares / debentures shall operate as a waiver of our Company's lien, if any, on such shares / debentures.

Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

Our Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

The fully paid up shares shall be free from all lien and in the case of partly paid up shares our Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

#### **DIRECTORS MAY REFUSE TO REGISTER TRANSFER**

Subject to the provisions of these Articles and other applicable provisions of the Act or any other applicable law for the time being in force, the Board may (at its own absolute and uncontrolled discretion) decline or refuse by giving reasons, whether in pursuance of any power of the Company under these Articles or otherwise, to register or acknowledge any transfer of, or the transmission by operation of law of the right to, any securities or interest of a Member in the Company, after providing sufficient cause, within a period of thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company. Provided that the registration of transfer of any securities shall not be refused on the ground of the transferor being alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except where the Company has a lien on shares. Transfer of shares/debentures in whatever lot shall not be refused.

## **RULES TO ISSUE SHARE CERTIFICATES**

The Act shall be complied with in respect of the issue, reissue, renewal of share certificates and the format and signing of the share certificates and records of the share certificates issued shall be maintained in accordance with the said Act.

## **LIEN TO EXTEND TO DIVIDENDS, ETC.**

The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares / debentures.

## **ENFORCING LIEN BY SALE**

The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made—

- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen (14) 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 to the person entitled thereto by reason of his death or insolvency or otherwise.

No Member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

## **APPLICATION OF SALE PROCEEDS**

The proceeds of any such 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 and 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.

## **OUTSIDER'S LIEN NOT TO AFFECT COMPANY'S LIEN**

In exercising its lien, 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 unless required by law) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

## **PROVISIONS AS TO LIEN TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.**

The provisions of the Articles relating to lien shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

## **BOARD TO HAVE RIGHT TO MAKE CALLS ON SHARES**

The Board may subject to the provisions of the Act and any other applicable law, from time to time, make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares (whether on account of the nominal value of the shares or by 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. A call may be revoked or postponed at the discretion of the Board. The power to call on shares shall not be delegated to any other person except with the approval of the shareholders' in a General Meeting.

## **PROVISIONS AS TO CALLS TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.**

The provisions of the Articles relating to calls shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

## **TRANSMISSION OF SHARES**

Subject to the provisions of the Act and the Articles, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Members, or by any lawful means other than by a transfer in accordance with the Articles, may with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence as the Board thinks sufficient, that he sustains the character in respect of which he proposes to act under this Article, or of his title, elect to either be registered himself as holder of the shares or elect to have some person nominated by him and approved by the Board, registered as such holder or to make such transfer of the share as the deceased or insolvent Member could have made. 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. Provided, nevertheless, if such person shall elect to have his nominee registered, he shall testify that election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained and until he does so he shall not be freed from any liability in respect of the shares. Further, all limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer 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.

## **TITLE TO SHARES OF DECEASED MEMBERS**

The executors or administrators or the holders of a succession certificate issued in respect of the shares of a deceased Member and not being one of several joint holders shall be the only person whom the Company shall recognize as having any title to the shares registered in the name of such Members and in case of the death of one or more of the joint holders of any registered share, the survivor or survivors shall be entitled to the title or interest in such shares but 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. Provided nevertheless that in case the Directors, in their absolute discretion think fit, it shall be lawful for the Directors to dispense with the production of a probate or letters of administration or a succession certificate or such other legal representation upon such terms (if any) (as to indemnify or otherwise) as the Directors may consider necessary or desirable.

## **TRANSFER AND TRANSMISSION OF DEBENTURES**

The provisions of the Articles, shall, *mutatis mutandis*, apply to the transfer of or the transmission by law of the right to any securities including, debentures of the Company.

## **NOTICE FOR FORFEITURE OF SHARES**

The notice aforesaid shall:

- (a) name a further day (not being earlier than the expiry of fourteen days from the date of services of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

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.

## **ENTRY OF FORFEITURE IN REGISTER OF MEMBERS**

When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting Member and any entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.

## **EFFECT OF FORFEITURE**

The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by the Articles expressly saved.

## **VALIDITY OF SALES**

Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and after his name has been entered in the Register of Members in respect of such shares the validity of the sale shall not be impeached by any person.

## **BOARD TO HAVE A RIGHT TO FORFEIT SHARES**

If a Member fails to pay any call, or installment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by our Company by reason of non-payment.

## **REGISTER OF TRANSFERS**

Our Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares. Our Company shall also use a common form of transfer, as prescribed under the Act and rules notified thereunder and as per applicable requirements specified by the Exchanges.

## **INSTRUMENT OF TRANSFER**

- (a) The instrument of transfer of any share shall be in writing and all the provisions of the Act, and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. Our Company shall use the form of transfer, as prescribed under the Act, in all cases. In case of transfer of shares, where our Company has not issued any share certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act, 1996 shall apply.
- (b) The Board may decline to recognize any instrument of transfer unless-
  - (i) the instrument of transfer is in the form prescribed under the Act;
  - (ii) the instrument of transfer is accompanied by the certificate of 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
  - (iii) the instrument of transfer is in respect of only one class of shares.
- (c) 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.

## **RIGHTS TO ISSUE SHARE WARRANTS**

Our Company may issue share warrants subject to, and in accordance with provisions of the Act. The Board may, in its discretion, with respect to any share which is fully paid up on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may from time to time require as to the identity of the person signing the application, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require having been paid, issue a warrant.

## **BOARD TO MAKE RULES**

The Board may, from time to time, make rules as to the terms on which it shall think fit, a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

## **SHARES MAY BE CONVERTED INTO STOCK**

Where shares are converted into stock:

- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
- (b) 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;
- (c) 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;
- (d) such of the Articles of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder”/”Member” shall include “stock” and “stock-holder” respectively.

## **REDUCTION OF CAPITAL**

Our Company may, by a Special Resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act—

- (a) its share capital; and/or
- (b) any capital redemption reserve account; and/or
- (c) any share premium account

and in particular without prejudice to the generality of the foregoing power may be: (i) extinguishing or reducing the liability on any of its shares in respect of share capital not paid up; (ii) either with or without extinguishing or reducing liability on any of its shares, cancel paid up share capital which is lost or is unrepresented by available assets; or (ii) either with or without extinguishing or reducing liability on any of its shares, pay off any paid up share capital which is in excess of the wants of our Company; and may, if and so far as is necessary, alter its Memorandum, by reducing the amount of its share capital and of its shares accordingly.

## **DEMATERIALIZATION OF SECURITIES**

- (a) Our Company shall recognise interest in dematerialised securities under the Depositories Act, 1996.

Subject to the provisions of the Act, either our Company or the investor may exercise an option to issue (in case of our Company only), deal in, hold the securities (including shares) with a Depository in electronic form and the share certificates in respect thereof shall be dematerialized, in which event, the rights and obligations of the parties concerned and matters connected therewith or incidental thereof shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification(s) thereto or re-enactment thereof, the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and other Applicable Law.

- (b) Dematerialisation/Re-materialisation of securities

Notwithstanding anything to the contrary or inconsistent contained in the Articles, our Company shall be entitled to dematerialise its existing securities, re materialise its securities held in Depositories and/or offer its fresh securities in the dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.



(c) Option to receive security certificate or hold securities with the Depository

Every person subscribing to or holding securities of our Company shall have the option to receive the security certificate or hold securities with a Depository. Where a person opts to hold a security with the Depository, our Company shall intimate such Depository of the details of allotment of the security and on receipt of such information, the Depository shall enter in its Record, the name of the allottees as the beneficial owner of that Security.

(d) Securities in electronic form

All securities held by a Depository shall be dematerialized and held in electronic form. No certificate shall be issued for the securities held by the Depository.

(e) Beneficial owner deemed as absolute owner

Except as ordered by a court of competent jurisdiction or by applicable law required and subject to the provisions of the Act, our Company shall be entitled to treat the person whose name appears on the applicable register as the holder of any security or whose name appears as the beneficial owner of any security in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such securities or (except only as by the Articles otherwise expressly provided) any right in respect of a security other than an absolute right thereto in accordance with the Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any security in the joint names of any two or more persons or the survivor or survivors of them.

(f) Register and index of beneficial owners

Our Company shall cause to be kept a register and index of Members with details of securities held in materialised and dematerialised forms in any media as may be permitted by law including any form of electronic media. The register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a register and index of Members for the purposes of this Act. Our Company shall have the power to keep in any state or country outside India, a Register of Members, resident in that state or country.

## **BUY BACK OF SHARES**

Notwithstanding anything contained in the Articles, but subject to all applicable provisions of the Act or any other law for the time being in force, our Company may purchase its own shares or other specified securities.

## **ANNUAL GENERAL MEETINGS**

- (a) Our Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year.
- (b) An Annual General Meeting of our Company shall be held in accordance with the provisions of the Act.

## **EXTRAORDINARY GENERAL MEETINGS**

All General Meetings other than the Annual General Meeting shall be called "Extraordinary General Meeting". Provided that, the Board may, whenever it thinks fit, call an Extraordinary General Meeting.

## **EXTRAORDINARY MEETINGS ON REQUISITION**

The Board shall, on the requisition of Members, convene an Extraordinary General Meeting of our Company in the circumstances and in the manner provided under the Act.

## **NOTICE FOR GENERAL MEETINGS**

All General Meetings shall be convened by giving not less than clear twenty one (21) days' notice, in such manner

as is prescribed under the Act, specifying the place, date and hour of the meeting and a statement of the business proposed to be transacted at such a meeting, in the manner mentioned in the Act. Notice shall be given to all the Members and to such persons as are under the Act and/or the Articles entitled to receive such notice from our Company but any accidental omission to give notice to or non-receipt of the notice by any Member or other person to whom it should be given shall not invalidate the proceedings of any General Meetings.

The Members may participate in General Meetings through such modes as permitted by applicable laws.

#### **SHORTER NOTICE ADMISSIBLE**

Upon compliance with the relevant provisions of the Act, an Annual General Meeting or any General Meeting may be convened by giving a shorter notice than twenty one (21) days.

#### **SPECIAL AND ORDINARY BUSINESS**

- (a) Subject to the provisions of the Act, all business shall be deemed special that is transacted at the Annual General Meeting with the exception of declaration of any dividend, the consideration of financial statements and reports of the Directors and auditors, the appointment of Directors in place of those retiring and the appointment of and fixing of the remuneration of the auditors. In case of any other meeting, all business shall be deemed to be special.
- (b) In case of special business as aforesaid, an explanatory statement as required under the applicable provisions of the Act shall be annexed to the notice of the meeting.

#### **QUORUM FOR GENERAL MEETING**

Five (5) Members or such other number of Members as required under the Act or the applicable law for the time being in force prescribes, personally present shall be quorum for a General Meeting and no business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the meeting.

#### **TIME FOR QUORUM AND ADJOURNMENT**

Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting, a quorum is not present, the meeting, if called upon the requisition of Members, shall be cancelled and in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine. If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall be quorum and may transact the business for which the meeting was called.

#### **CHAIRMAN OF GENERAL MEETING**

The chairman, if any, of the Board of Directors shall preside as chairman at every General Meeting of our Company.

#### **ELECTION OF CHAIRMAN**

Subject to the provisions of the Act, if there is no such chairman or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the Directors present shall elect another Director as chairman and if no Director be present or if all the Directors decline to take the chair, then the Members present shall choose a Member to be the chairman.

#### **ADJOURNMENT OF MEETING**

Subject to the provisions of the Act, the chairman of a General Meeting may, with the consent given in the meeting at which a quorum is present (and shall if so directed by the meeting) adjourn that meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When the meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as nearly to the original meeting, as may be possible. Save as aforesaid and as provided in Section 103 of the Act, it shall not be necessary to give any notice of adjournment of the business to be transacted at an adjourned meeting.

## **VOTING AT MEETING**

At any General Meeting, a demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand. Further, no objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General 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. Any such objection made in due time shall be referred to the chairperson of the General Meeting, whose decision shall be final and conclusive.

## **DECISION BY POLL**

If a poll is duly demanded in accordance with the provisions of the Act, it shall be taken in such manner as the chairman directs and the results of the poll shall be deemed to be the decision of the meeting on the resolution in respect of which the poll was demanded.

## **CASTING VOTE OF CHAIRMAN**

In case of equal votes, whether on a show of hands or on a poll, the chairman of the General Meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to the vote or votes to which he may be entitled to as a Member.

## **PASSING RESOLUTIONS BY POSTAL BALLOT**

- (a) Notwithstanding any of the provisions of the Articles, our Company may, and in the case of resolutions relating to such business as notified under the Act, to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of our Company.
- (b) Where our Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under the Act.
- (c) If a resolution is assented to by the requisite majority of the shareholders by means of postal ballot, it shall be deemed to have been duly passed at a General Meeting convened in that behalf.

## **VOTING RIGHTS OF MEMBERS**

Subject to any rights or restrictions for the time being attached to any class or classes of shares:

- (a) On a show of hands every Member holding Equity Shares and present in person shall have one vote.
- (b) On a poll, every Member holding Equity Shares therein shall have voting rights in proportion to his share in the paid up Equity Share capital.
- (c) A Member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

## **VOTING BY JOINT-HOLDERS**

In case of joint holders the vote of first named of such joint holders in the Register of Members who tender a vote whether in person or by proxy shall be accepted, to the exclusion of the votes of other joint holders.

## **PROXY**

Any Member entitled to attend and vote at a General Meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

## **NUMBER OF DIRECTORS**

Unless otherwise determined by General Meeting, the number of Directors shall not be less than three (3) and not more than fifteen (15), and at least one (1) Director shall be resident of India in the previous year.

Provided that our Company may appoint more than fifteen (15) Directors after passing a Special Resolution.

#### **SHARE QUALIFICATION NOT NECESSARY**

Any person whether a Member of our Company or not may be appointed as Director and no qualification by way of holding shares shall be required of any Director.

#### **REMUNERATION OF DIRECTORS**

- (a) A Director (other than a managing Director or whole-time Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board of Directors or any committee thereof attended by him. The remuneration of Directors including managing Director and/or whole-time Director may be paid in accordance with the applicable provisions of the Act.
- (b) The Board of Directors may allow and pay or reimburse any Director who is not a bona fide resident of the place where a meeting of the Board or of any committee is held and who shall come to such place for the purpose of attending such meeting or for attending its business at the request of our Company, such sum as the Board may consider fair compensation for travelling, and out-of-pocket expenses and if any Director be called upon to go or reside out of the ordinary place of his residence on our Company's business he shall be entitled to be reimbursed any travelling or other expenses incurred in connection with the business of our Company.
- (c) The managing Directors/ whole-time Directors shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of our Company. They shall be entitled to appoint part time employees in connection with the management of the affairs of our Company and shall be entitled to be paid by our Company any remuneration that they may pay to such part time employees.

#### **ONE-THIRD OF DIRECTORS TO RETIRE EVERY YEAR**

At the Annual General Meeting of our Company to be held in every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election. Provided nevertheless that the managing director appointed or the Directors appointed as a debenture director under Articles hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

#### **MEETINGS OF THE BOARD**

- (a) The Board of Directors shall meet at least once in every three (3) months with a maximum gap of four (4) months between two (2) meetings of the Board for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in accordance with the Act, provided that at least four (4) such meetings shall be held in every year. Place of meetings of the Board shall be at a location determined by the Board at its previous meeting, or if no such determination is made, then as determined by the chairman of the Board.
- (b) The chairman may, at any time, and the secretary or such other Officer of our Company as may be authorised in this behalf on the requisition of Director shall at any time summon a meeting of the Board. Notice of at least seven (7) days in writing of every meeting of the Board shall be given to every Director and every alternate Director at his usual address whether in India or abroad, provided always that a meeting may be convened by a shorter notice to transact urgent business subject to the condition that at least one independent director, if any, shall be present at the meeting and in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be

circulated to all the Directors and shall be final only on ratification thereof by at least one independent director, if any.

- (c) The notice of each meeting of the Board shall include (i) the time for the proposed meeting; (ii) the venue for the proposed meeting; and (iii) an agenda setting out the business proposed to be transacted at the meeting.
- (d) To the extent permissible by applicable law, the Directors may participate in a meeting of the Board or any committee thereof, through electronic mode, that is, by way of video conferencing i.e., audio visual electronic communication facility. The notice of the meeting must inform the Directors regarding the availability of participation through video conferencing. Any Director participating in a meeting through the use of video conferencing shall be counted for the purpose of quorum.

## **QUORUM**

Subject to the provisions of the Act, 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 participation of the Directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum.

At any time the number of interested Directors is equal to or exceeds two-thirds of total strength, the number of remaining Directors, that is to say the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of Board after deducting there from the number of Directors, if any, whose places are vacant at the time. The term 'interested director' means any Director whose presence cannot, by reason of applicable provisions of the Act be counted for the purpose of forming a quorum at meeting of the Board, at the time of the discussion or vote on the concerned matter or resolution.

## **QUESTIONS HOW DETERMINED**

- (a) A committee may meet and adjourn as it thinks proper.
- (b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present as the case may be and in case of equality of vote, the chairman shall have a second or casting vote, in addition to his vote as a member of the committee.

## **MAINTENANCE OF FOREIGN REGISTER**

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 those Sections) make and vary such regulations as it may think fit respecting the keeping of any register.

## **BORROWING POWERS**

- (a) Subject to the provisions of the Act and the Articles, the Board may from time to time at their discretion raise or borrow or secure the payment of any such sum of money for the purpose of our Company, in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by promissory notes or by receiving deposits and advances with or without security or by the issue of bonds, debentures, perpetual or otherwise, including debentures convertible into shares of this Company or any other company or perpetual annuities and to secure any such money so borrowed, raised or received, mortgage, pledge or charge the whole or any part of the property, assets or revenue of our Company present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities; provided however, that the moneys to be borrowed, together with the money already borrowed by our Company apart from temporary loans obtained from our Company's bankers in the ordinary course of business shall not, without the sanction of our Company by a Special Resolution at a General Meeting, exceed the aggregate of the paid up capital of our Company and its free reserves. Provided that every Special Resolution passed by our

Company in General Meeting in relation to the exercise of the power to borrow shall specify the total amount up to which moneys may be borrowed by the Board of Directors.

- (b) The Directors may by resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors or managing Director or to any other person permitted by applicable law, if any, within the limits prescribed.
- (c) To the extent permitted under the applicable law and subject to compliance with the requirements thereof, the Directors shall be empowered to grant loans to such entities at such terms as they may deem to be appropriate and the same shall be in the interests of our Company.
- (d) Any bonds, debentures, debenture-stock or other securities may if permissible under applicable law be issued at a discount, premium or otherwise by our Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of our Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, attending (but not voting) in the General Meeting, appointment of Directors or otherwise. Provided that debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of our Company in General Meeting accorded by a Special Resolution.

#### **NOMINEE DIRECTORS**

- (a) Subject to the provisions of the Act, so long as any moneys remain owing by our Company to Financial Institutions regulated by the Reserve Bank of India, State Financial Corporation or any financial institution owned or controlled by the Central Government or State Government or any Non-Banking Financial Company regulated by the Reserve Bank of India or any such company from whom our Company has borrowed for the purpose of carrying on its objects or each of the above has granted any loans / or subscribes to the debentures of our Company or so long as any of the aforementioned companies of financial institutions holds or continues to hold debentures /shares in our Company as a result of underwriting or by direct subscription or private placement or so long as any liability of our Company arising out of any guarantee furnished on behalf of our Company remains outstanding, and if the loan or other agreement with such institution/ corporation/ company (hereinafter referred to as the “**Corporation**”) so provides, the Corporation may, in pursuance of the provisions of any law for the time being in force or of any agreement, have a right to appoint from time to time any person or persons as a Director or Directors whole-time or non whole-time (which Director or Director/s is/are hereinafter referred to as “**Nominee Directors/s**”) on the Board of our Company and to remove from such office any person or person so appointed and to appoint any person or persons in his /their place(s).
- (b) The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board meetings and of the meetings of the committee of which Nominee Director/s is/are member/s as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.
- (c) Our Company may pay the Nominee Director/s sitting fees and expenses to which the other Directors of our Company are entitled, but if any other fees commission, monies or remuneration in any form is payable to the Directors of our Company the fees, commission, monies and remuneration in relation to such Nominee Director/s may accrue to the nominee appointer and same shall accordingly be paid by our Company directly to the Corporation.
- (d) Provided that the sitting fees, in relation to such Nominee Director/s shall also accrue to the appointer and same shall accordingly be paid by our Company directly to the appointer.

#### **COMPANY IN GENERAL MEETING MAY DECLARE DIVIDENDS**

Our Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

#### **INTERIM DIVIDENDS**

Subject to the provisions of the Act, the Board may from time to time pay to the Members such interim dividends of such amount on such class of shares and at such times as it may think fit and as appear to it to be justified by the profits of our Company.

#### **RIGHT TO DIVIDEND AND UNPAID OR UNCLAIMED DIVIDEND**

- (a) Where capital is paid in advance of calls, such capital, whilst carrying interest, shall not confer a right to dividend or to participate in the profits.
- (b) Where our Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, our Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days, to a special account to be opened by our Company in that behalf in any scheduled bank to be called “Unpaid Dividend Account of Entero Healthcare Solutions Limited”.
- (c) Any money transferred to the unpaid dividend account of our Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by our Company to the fund known as Investor Education and Protection Fund established under the Act.
- (d) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.
- (e) All other provisions under the Act will be complied with in relation to the unpaid or unclaimed dividend.

#### **CAPITALISATION OF PROFITS**

- (a) Our Company in General Meeting, may, on recommendation of the Board resolve:
  - (i) that it is desirable to capitalise any part of the amount for the time being standing to the credit of our Company’s reserve accounts or to the credit of the profit and loss account or otherwise available for distribution; and
  - (ii) that such sum be accordingly set free for distribution in the manner specified in the sub-clause (b) amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportion.
- (b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in sub-clause (c) below, either in or towards:
  - (i) paying up any amounts for the time being unpaid on shares held by such Members respectively;
  - (ii) paying up in full, unissued share of our Company to be allotted and distributed, credited as fully paid up, to and amongst such Members in the proportions aforesaid; or
  - (iii) partly in the way specified in sub-clause (i) and partly that specified in sub -clause (ii).
  - (iv) A securities premium account and a capital redemption reserve account or any other permissible reserve account may be applied as permitted under the Act in the paying up of unissued shares to be issued to Members of our Company as fully paid bonus shares.
  - (v) The Board shall give effect to the resolution passed by our Company in pursuance of the Articles.

#### **POWER OF DIRECTORS FOR DECLARATION OF BONUS ISSUE**

- (a) Whenever such a resolution as aforesaid shall have been passed, the Board shall:

- (i) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and
  - (ii) generally do all acts and things required to give effect thereto.
- (b) The Board shall have full power:
- (i) to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fractions; and
  - (ii) to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with our Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or other securities to which they may be entitled upon such capitalization or as the case may require, for the payment by our Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amount or any parts of the amounts remaining unpaid on their existing shares.
- (c) Any agreement made under such authority shall be effective and binding on such Members.

### **INSPECTION BY DIRECTORS**

The books of account and books and papers of the Company, or any of them, shall be open to the inspection of Directors in accordance with the applicable provisions of the Act.

### **INSPECTION BY MEMBERS**

No Member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorised by the Board.

### **WINDING UP**

Subject to the applicable provisions of the Act—

- (a) If our Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of our 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 our Company, whether they shall consist of property of the same kind or not.
- (b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon 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.
- (c) 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.
- (d) Any person who is or has been a Director or manager, whose liability is unlimited under the Act, shall, in addition to his liability, if any, to contribute as an ordinary Member, be liable to make a further contribution as if he were at the commencement of winding up, a Member of an unlimited company, in accordance with the provisions of the Act.

### **DIRECTOR'S AND OTHERS' RIGHT TO INDEMNITY**

Subject to the provisions of the Act, every Director and Officer of our Company shall be indemnified by our Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the tribunal. Provided, however, that such indemnification shall not apply in respect of any cost or loss or expenses



to the extent it is finally judicially determined to have resulted from the negligence, willful misconduct or bad faith acts or omissions of such Director.

### **GENERAL POWER**

Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its Articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

At any point of time from the date of adoption of the Articles, if the Articles are or become contrary to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “**Listing Regulations**”) or of the Act or of the Secretarial Standard issued by the Institute of Company Secretaries of India (“**Secretarial Standards**”), the provisions of the Listing Regulations or the Act or the Secretarial Standards shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the Listing Regulations or the Act or the Secretarial Standards, from time to time.

## SECTION IX – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following documents and contracts (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 the Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by our Company. These contracts and documents, copies of which were attached to the copy of (i) the Red Herring Prospectus (other than the documents executed after the Bid/ Offer Closing Date) and (ii) this Prospectus, delivered to the Registrar of Companies for filing and also the documents for inspection referred to hereunder, were available for inspection at our Registered Office and our Corporate Office from 10.00 am to 4.00 pm on Working Days from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date, except for such contracts and documents that were executed subsequent to the completion of the Bid/Offer Closing Date. These contracts and documents were also available at the following web-link – <https://www.enterohealthcare.com/uat/>

Any of the contracts or documents mentioned in this 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 applicable law.

#### *Material Contracts to the Offer*

1. Offer Agreement among our Company, the Selling Shareholders and the BRLMs dated September 13, 2023, read with the first amendment agreement to the Offer Agreement dated September 13, 2023, dated January 21, 2024.
2. Registrar Agreement among our Company, the Selling Shareholders and Registrar to the Offer dated September 13, 2023.
3. Cash Escrow and Sponsor Bank Agreement dated February 3, 2024 among our Company, the Selling Shareholders, the BRLMs, the Escrow Collection Bank, Public Offer Account Bank, Refund Bank, the Sponsor Banks, Syndicate Members and the Registrar to the Offer.
4. Share Escrow Agreement dated February 3, 2024 between the Company, the Selling Shareholders and the Share Escrow Agent.
5. Syndicate Agreement dated February 3, 2024 among our Company, the Selling Shareholders, the BRLMs, the Syndicate Members and the Registrar to the Offer.
6. Underwriting Agreement dated February 13, 2024 among our Company, the Selling Shareholders and the Underwriters.
7. Monitoring Agency Agreement dated February 1, 2024 between our Company and the Monitoring Agency.

#### *Material Documents*

1. Certified copies of the Memorandum of Association and Articles of Association of our Company as amended from time to time.
2. Our certificate of incorporation dated January 10, 2018, and certificate of incorporation dated August 25, 2023, consequent to change of our name.
3. Resolutions of the Board of Directors dated August 25, 2023, and September 7, 2023, authorising the Offer.
4. Resolution of the Shareholders dated September 7, 2023, under section 62(1)(c) of the Companies Act, 2013 authorising the Offer.
5. Resolution dated January 21, 2024, passed by the Audit Committee approving the key performance indicators and certain other related matters.

6. Resolutions of the Board dated September 7, 2023, and the IPO Committee dated September 13, 2023, respectively approving the Draft Red Herring Prospectus.
7. Resolution of the Board of Directors dated February 5, 2024, approving the Red Herring Prospectus.
8. Resolution of the Board of Directors dated February 13, 2024, approving this Prospectus
9. Resolutions of the Board dated August 25, 2023, and February 5, 2024, taking on record the Offer for Sale.
10. Consent letters from the Selling Shareholders for participating in the Offer for Sale.
11. Copies of the auditor's reports of our Company in respect of our audited financial statements for Fiscal Years 2021, 2022 and 2023.
12. Copies of annual reports of our Company for Fiscal Years 2021, 2022 and 2023.
13. Examination report of our Statutory Auditors dated January 21, 2024 on the Restated Consolidated Financial Information included in this Prospectus.
14. Assurance report of our Statutory Auditors dated January 21, 2024, and September 7, 2023, on our Pro Forma Financial Information included in this Prospectus.
15. Statement of special tax benefits available to our Company and its shareholders under direct and indirect tax laws in India from our Statutory Auditors, dated January 21, 2024.
16. Certificate dated February 5, 2024, from N B T and Co, Chartered Accountants (Firm Registration Number: 140489W) with respect to key performance indicators of our Company.
17. Consent letter dated January 17, 2024, issued by CRISIL to rely on and reproduce part or whole of the CRISIL report titled "Assessment of the pharmaceutical and pharmaceutical delivery industry in India" and include their name in this Prospectus.
18. Industry report titled "Assessment of the pharmaceutical and pharmaceutical delivery industry in India" dated November, 2023 prepared and issued by CRISIL and commissioned by our Company for an agreed fee.
19. Shareholder's Agreement dated July 25, 2018, entered into between and amongst the Company, the Promoters, and IM Investments Trust and other shareholders ("**2018 SHA**"), along with the Supplementary Shareholder's Agreement dated August 6, 2018 ("Supplementary Agreement"), the first addendum to the SHA dated February 5, 2019 ("**First Addendum**"), the second addendum dated August 3, 2023, ("**Second Addendum**") and third addendum dated September 6, 2023 ("**Third Addendum**"), amended pursuant to the amendment agreement dated September 6, 2023, to the shareholder's agreement dated July 25, 2018.
20. Employment agreements dated July 25, 2018, and addendum to the employment agreement entered into on September 6, 2023, between our Company with Prabhat Agrawal and Prem Sethi
21. Share purchase agreement dated July 17, 2018, entered into between our Company, Novacare, R. Kannan and Hema Kannan.
22. Share purchase agreement dated April 4, 2019, entered into between our Company, Avenues, and KG Subbaraj, KV Dhanalakshmi, KR Srimathi, KV Usharani. KS Narasamma. KS Sandhya, KV Praveen, and KV Prashanth.
23. Share purchase agreement dated May 6, 2019, entered into between our Company, Chirag, and K.E. Prakash and K.E. Nagraj.
24. Share purchase agreement dated January 18, 2022, entered into between our Company, Sri Parshva, and

Dhanraj, Rohan Bhandari, Rajesh Kumar Jain, Sanjeev Kumar Bhandari and Deepchand H. Bhandari.

25. Share purchase agreement dated January 22, 2022, entered into between our Company, Sri Rama, and Mahidhar Reddy and Varun Reddy.
26. Written consent dated February 13, 2024, from M S K A & Associates, Chartered Accountants, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated January 21, 2024 on our Restated Consolidated Financial Information and their assurance reports dated January 21, 2024, and September 7, 2023, on the Pro Forma Financial Information; (ii) their report dated January 21, 2024 on the Statement of Special Tax Benefits available to the Company and its equity shareholders under the direct and indirect tax laws, in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus. However, the term “expert” and the consent thereof shall not be construed to mean an “expert” or consent within the meaning as defined under the U.S. Securities Act.
27. Written consent dated February 5, 2024, from N B T & Co, Chartered Accountants (Firm Registration Number: 140489W), holding a valid peer review certificate from ICAI, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Prospectus and as an ‘expert’ as defined under Section 2(38) of Companies Act, 2013 in respect of the certificates issued by them in their capacity as an independent chartered accountant to our Company.
28. Consents of the Bankers to our Company, the BRLMs, Syndicate Members, Registrar to the Offer, Escrow Collection Bank, Sponsor Banks, Directors of our Company, our Vice President - General Counsel, Company Secretary and Compliance Officer for the Offer, Group Chief Financial Officer, Public Offer Account Bank, Refund Bank and the Indian legal counsel to the Company as referred to, in their respective capacities.
29. In-principle listing approvals dated November 8, 2023, received from NSE and the BSE, each.
30. Tripartite agreement dated July 13, 2023, amongst our Company, NSDL and Registrar to the Offer.
31. Tripartite agreement dated July 11, 2018, amongst our Company, CDSL and Registrar to the Offer.
32. Exemption application dated July 17, 2023, to SEBI seeking a relaxation under Regulation 300(1) of the SEBI ICDR Regulations along with the response received from the SEBI through the letter bearing no. SEBI/HO/CFD/RAC-DIL-2/P/OW/2023/35989/1 dated September 1, 2023, approving the Company’s exemption application
33. Due diligence certificate dated September 13, 2023, to SEBI from the BRLMs.
34. SEBI final observation letter bearing reference number SEBI/HO/CFD/RAC-DIL2/P/OW/2024/2499/1 and dated January 16, 2024 and the in-seriatim reply of the BRLMs to the same dated January 22, 2024.

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or 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 Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

### **SIGNED BY DIRECTOR OF OUR COMPANY**

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Prabhat Agrawal  
Managing Director & Chief Executive Officer

**Place:** Mumbai

**Date:** February 13, 2024

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or 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 Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

### **SIGNED BY DIRECTOR OF OUR COMPANY**

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Prem Sethi  
Whole-time Director & Chief Operating Officer

**Place:** Mumbai

**Date:** February 13, 2024

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or 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 Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

### SIGNED BY DIRECTOR OF OUR COMPANY

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Sumona Chakraborty  
Non-Executive, Non-Independent (Nominee) Director

**Place:** Mumbai

**Date:** February 13, 2024

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or 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 Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

### SIGNED BY DIRECTOR OF OUR COMPANY

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Vipul Indravadan Desai  
Non-Executive, Non-Independent (Nominee) Director

**Place:** Mumbai

**Date:** February 13, 2024



## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or 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 Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

### SIGNED BY DIRECTOR OF OUR COMPANY

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Arun Sadhanandham  
Non-Executive, Non-Independent (Nominee)  
Director

**Place:** Mumbai

**Date:** February 13, 2024

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or 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 Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

### SIGNED BY DIRECTOR OF OUR COMPANY

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Rajesh Shashikant Dalal  
Non-Executive, Independent Director

**Place:** Mumbai

**Date:** February 13, 2024

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or 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 Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

### SIGNED BY DIRECTOR OF OUR COMPANY

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Sujesh Vasudevan  
Non-Executive, Independent Director

**Place:** Mumbai

**Date:** February 13, 2024

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or 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 Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

### SIGNED BY DIRECTOR OF OUR COMPANY

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Sandhya Gadkari Sharma  
Non-Executive, Independent Director

**Place:** Mumbai

**Date:** February 13, 2024

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or 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 Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

### SIGNED BY CHIEF FINANCIAL OFFICER OF OUR COMPANY

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CV Ram

**Place:** Mumbai

**Date:** February 13, 2024

## **DECLARATION BY PRABHAT AGRAWAL, AS A SELLING SHAREHOLDER**

I, Prabhat Agrawal, acting as an Individual Promoter Selling Shareholder, hereby confirm and declare that all statements, disclosures and undertakings made or confirmed by me in this Prospectus in relation to myself, as one of the Selling Shareholders and my respective portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings, including, any of the statements and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder, or any other person(s) in this Prospectus.

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Prabhat Agrawal

**Place:** Mumbai

**Date:** February 13, 2024

## **DECLARATION BY PREM SETHI, AS A SELLING SHAREHOLDER**

I, Prem Sethi, acting as an Individual Promoter Selling Shareholder, hereby confirm and declare that all statements, disclosures and undertakings made or confirmed by me in this Prospectus in relation to myself, as one of the Selling Shareholders and my respective portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings, including, any of the statements and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder, or any other person(s) in this Prospectus.

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Prem Sethi

**Place:** Mumbai

**Date:** February 13, 2024

**DECLARATION BY ORBIMED ASIA III MAURITIUS LIMITED, AS THE SELLING  
SHAREHOLDER**

We, OrbiMed Asia III Mauritius Limited, confirm that all statements, disclosures and undertakings made or confirmed by us in this Prospectus specifically in relation to ourselves, as the Corporate Promoter Selling Shareholder, and the Equity Shares which are being offered by it by way of the Offer for Sale pursuant to the Offer, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings including statements made or confirmed by or relating to the Company, any other Selling Shareholder or any other person(s) in this Prospectus.

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For OrbiMed Asia III Mauritius Limited

Name: Harish Sumsurooah

Authorised Signatory

**Date:** February 13, 2024

**Place:** Ebene, Mauritius



## **DECLARATION BY PETROS DIAMANTIDES, AS A SELLING SHAREHOLDER**

I, Petros Diamantides, acting as a Selling Shareholder, hereby confirm and declare that all statements, disclosures and undertakings made or confirmed by me in this Prospectus in relation to myself, as one of the Selling Shareholders and my respective portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings, including, any of the statements and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder, or any other person(s) in this Prospectus.

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Petros Diamantides

**Place:** Cyprus

**Date:** February 13, 2024

**DECLARATION BY VIKRAMADITYA AMBRE, AS A SELLING SHAREHOLDER**

I, Vikramaditya Ambre, acting as a Selling Shareholder, hereby confirm and declare that all statements, disclosures and undertakings made or confirmed by me in this Prospectus in relation to myself, as one of the Selling Shareholders and my respective portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings, including, any of the statements and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder, or any other person(s) in this Prospectus.

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Vikramaditya Ambre

**Place:** Mumbai

**Date:** February 13, 2024

## **DECLARATION BY OTHER SELLING SHAREHOLDERS**

Each Other Selling Shareholder (listed in **Annexure A** below), severally and not jointly, hereby confirms and declares that all statements, disclosures and undertakings made or confirmed by itself in this Prospectus in relation to itself, as one of the Selling Shareholders and their respective portion of the Offered Shares, are true and correct. Each Other Selling Shareholder assumes no responsibility for any other statements, disclosures and undertakings, including, any of the statements and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder, or any other person(s) in this Prospectus.

### **SIGNED ON BEHALF OF THE OTHER SELLING SHAREHOLDERS (LISTED IN ANNEXURE A)**

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Name: Nehal Shah

Designation: Senior Manager – Legal and Secretarial, Entero Healthcare Solutions Limited, the duly constituted power of attorney holder of the Other Selling Shareholders (listed in Annexure A)

**Place:** Mumbai

**Date:** February 13, 2024

**ANNEXURE A**

<b>Sr. No.</b>	<b>Name</b>	<b>Number of Equity Shares Offered</b>
1.	Chethan M.P.	4,401
2.	Deepesh T. Gala	1,320
3.	Hemant Jose Barros	8,802
4.	Hemant Jaggi	4,401
5.	K.R.V.S. Varaprasad	2,201
6.	K.E. Prakash	39,610
7.	Lavu Sahadev	1,320
8.	Manoj K Sanghani	12,103
9.	Millennium Medicare Private Limited	8,802
10.	K. Naveen Kumar Gupta	2,201
11.	Novacare Drug Specialities Private Limited	42,250
12.	Prashanth Ravindrakumar	13,203
13.	Suraj Prakash Atreja	1,102
14.	Venkata Ramana Siva Kumar Yanamadala	1,320