

THIS IS A PUBLIC ANNOUNCEMENT FOR INFORMATION PURPOSES ONLY. THIS IS NOT A PROSPECTUS ANNOUNCEMENT AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE FOR UNITS OR SECURITIES. NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY OUTSIDE INDIA.



**SAROJA PHARMA INDUSTRIES INDIA LIMITED**

Our Company was originally incorporated as “Saroja Pharma Industries India Private Limited” on January 14th, 2019 under the provisions of the Companies Act, 2013 vide Certificate of Incorporation issued by the Registrar of Companies, Mumbai, Maharashtra. Later on, company was converted into public limited company, the name of our Company was changed to “Saroja Pharma Industries India Limited” and fresh Certificate of Incorporation dated April 18th, 2023 was issued by the Registrar of Companies, Mumbai, Maharashtra. For details of Conversion of Company, please refer to section titled “HISTORY AND CERTAIN CORPORATE MATTERS” beginning on page no. 109 of this Draft Prospectus.

**CIN:** U24110MH2019PLC319508

**Registered office:** 305, Kailash Tower, Shiv Shristi Complex, Goregaon Link Road, Mulund West, Mumbai (MH) – 400080; **Website:** www.sarojapharma.com;

**Corporate Office:** Shop No. 209, 2<sup>nd</sup> Floor, Ecstasy, City of Joy, Jata Shankar Dosa Marg, Mulund West Mumbai (MH) – 400080;

**E-Mail:** info@sarojapharma.com; **Telephone No:** +91 (022) 2081 0011; **Company Secretary and Compliance Officer:** Mrs. Nikita Kumar

**PROMOTERS OF THE COMPANY: MR. BIJU GOPINATHAN NAIR AND MR. MANISH DASHARATH KAMBLE**

**ADDENDUM TO THE DRAFT PROSPECTUS DATED JUNE 15, 2023: NOTICE TO THE INVESTORS (“THE ADDENDUM”)**

**PUBLIC ISSUE OF UPTO 10,84,800 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH OF SAROJA PHARMA INDUSTRIES INDIA LIMITED (“SAROJA” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ 84/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 74/- PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO ₹ 911.23 LAKHS (“THE ISSUE”), OF WHICH 54,400 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ 84/- EACH AGGREGATING TO ₹ 45.69 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e. NET ISSUE OF 10,30,400 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ 84/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 74/- PER EQUITY SHARE AGGREGATING TO ₹ 865.54 LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.98% AND 25.63% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

Potential Bidders may note the following:

1. The Chapter titled “**Risk Factors**” beginning on page 18 of the Draft Prospectus has been updated with addition, shifting and modification of certain risk factors.
2. The Chapter titled “**Object of the Issue**” beginning on page 60 of the Draft Prospectus has been updated to include the Requirement of funds, Utilization of Net Issue Proceeds, Means of finance, Details of Use of Issue Proceeds.
3. The Chapter titled “**Business Overview**” beginning on page 84 of the Draft Prospectus has been updated The disclose the sources of raw materials on the basis geography, our business process, geographical revenue breakup - country wise, our storage and transportation facility, details of immovable properties.
4. The Chapter titled “**Key Industry Regulations**” beginning on page 94 of the Draft Prospectus has been updated Key Regulations Applicable to our Business and description about “Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction”.
5. The Chapter titled “**Our Promoters and Promoters Group**” beginning on page 126 of the Draft Prospectus has been updated the name of relatives of the promoters.
6. The Chapter titled “**Management’s Discussion and Analysis of Financial Position and Results of Operations**” beginning on page 133 of the Draft Prospectus has been updated the Reasons for such significant increase in total revenue for each of the FY 2021-22.
7. The Chapter titled “**Financial Indebtedness**” will be inserted in Prospectus.

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

On behalf of Saroja Pharma Industries India Limited

Sd/-

**Mr. Biju Gopinathan Nair**  
Chairman and Managing Director

Date: August 08<sup>th</sup>, 2023

Place : Mumbai

**LEAD MANAGER TO THE ISSUE**

**REGISTRAR TO THE ISSUE**



**SWASTIKA INVESTMART LIMITED**

**SEBI Registration Number:** INM000012102

**Merchant Banking Division Address:** Flat No18 Floor 2 North Wing Madhaveshwar Coop Hsg Society Ltd Madhav Nagar, 11/12 S V Road Andheri W Mumbai - 400058 (Maharashtra).

**Telephone Number:** +91-22-26254568-69

**Email Id:** merchantbanking@swastika.co.in

**Investors Grievance Id:** investorgrievance@swastika.co.in

**Website:** www.swastika.co.in

**Contact Person:** Mr. Mohit R. Goyal

**CIN:** L65910MH1992PLC067052

**KFIN TECHNOLOGIES LIMITED**

**SEBI Registration Number:** INR000000221;

**Address: Office:** Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana;

**Tel. Number:** +91 40 6716 2222;

**Toll Free No.:** 1800 309 4001;

**Email Id:** spii.ipo@kfintech.com;

**Investors Grievance Id:** einward.ris@kfintech.com;

**Website:** www.kfintech.com;

**Contact Person:** Mr. M Murali Krishna.

**ISSUE OPENS ON**

**ISSUE CLOSES ON**



**Table of Contents**

<b>SECTION III - RISK FACTORS.....</b>	<b>3</b>
<b>SECTION VII – PARTICULARS OF THE ISSUE .....</b>	<b>6</b>
<b>OBJECTS OF THE ISSUE.....</b>	<b>6</b>
<b>SECTION VIII - ABOUT THE COMPANY.....</b>	<b>14</b>
<b>BUSINESS OVERVIEW.....</b>	<b>14</b>
<b>KEY INDUSTRY REGULATIONS .....</b>	<b>19</b>
<b>OUR PROMOTERS AND PROMOTERS GROUP .....</b>	<b>20</b>
<b>SECTION IX – FINANCIAL INFORMATION OF COMPANY .....</b>	<b>21</b>
<b>MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS .....</b>	<b>21</b>
<b>FINANCIAL INDEBTEDNESS.....</b>	<b>22</b>

### SECTION III - RISK FACTORS

An investment in equity involves a high degree of risk. Investors should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our equity shares. Any of the following risks as well as other risks and uncertainties discussed in this Draft Prospectus could have a material adverse effect on our business, financial condition and results of operations and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or part of your investment. In addition, the risks set out in this Draft Prospectus may not be exhaustive and additional risks and uncertainties, not presently known to us, or which we currently deem immaterial, may arise or become material in the future. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein.

**The Draft Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward looking statements as a result of many factors, including the considerations described below and elsewhere in the Draft Prospectus.**

#### **MATERIALITY**

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

1. Some events may not be material individually but may be found material collectively;
2. Some events may have material impact qualitatively instead of quantitatively;
3. Some events may not be material at present but may be having material impact in the future.

#### **NOTE**

The risk factors are disclosed as envisaged by the management along with the proposals to address the risk, if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section.

In this Draft Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in "RISK FACTORS" and elsewhere in this Draft Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in our restated financial statements prepared in accordance with Indian GAAP.

Unless otherwise specifically provided in the respective Risk Factors given below, the amounts of impact of risks specified hereunder, on our financial conditions, are not quantifiable.

Substituted Risk Factor Point Number 1:

**The Corporate Office used by the Company is not owned by us. Any termination of the relevant lease agreement or rent agreement in connection with such property or our failure to renew the same could adversely affect our operations.**

Our Registered Office from where we operate is owned by the promoters and they have provided NOC to company for using the space owned by the promoter. Our Company has been occupying the Corporate Office located at Shop no. 209, 2nd floor, Ecstasy, City of Joy, Jata Shankar Dosa Marg, Mulund West, Mumbai - 400080 on leave and license basis through a Leave and License Agreement dated 12<sup>th</sup> January, 2021 entered into by our Company with Mr. Kush Harish Thakkar & Mrs. Daksha Harish Thakkar, the details of the said agreements are mentioned under the chapter titled "BUSINESS OVERVIEW" beginning on page 84 of this Draft Prospectus. We believe that such transaction has been conducted on an arm's length basis, and there can be no assurance that our Company could not have achieved more favorable terms if had such transactions not been entered into with related parties. We cannot assure that our Company will be able to successfully renew the said lease agreement on expiry of the lease period. Further, we cannot assure that we will not face any disruption in respect of our rights as a lessee and that such lease agreement will not be terminated prematurely by the lessee. Any such non-renewal or early termination or any disruption of our rights as lessee may require us to vacate the premises and relocate to a new premises on terms that may not be favorable to us thereby adversely affecting our business, financial conditions and results of operations. For further details refer the chapter titled "BUSINESS OVERVIEW" beginning on page 84 of this Draft Prospectus.

Inserted as Risk Factor Point Number 2:

**Entering a new line of business i.e., manufacturing for raw materials.**

Company's potential entry into the manufacturing sector for Pharma Products and Raw Materials. While diversifying our business operations can bring exciting opportunities, it is crucial to acknowledge the inherent risk factors involved in venturing into a new line of business. There are many risks associated with the new line of business of the Company like Manufacturing of pharma products and raw materials requires specialized knowledge, technical skills, and operational experience. If we are not adequately prepared or lack the necessary expertise in this field, it may lead to inefficiencies, quality issues, and overall difficulties in managing the production process effectively. Entering a new line of business often demands significant upfront investments in infrastructure, machinery, equipment, and workforce training. Insufficient capital or overestimation of market demand may strain our financial resources, potentially impacting other core areas of our existing business. Also it contains unpredictable market dynamics, such as fluctuating demand, evolving regulations, and changing consumer preferences. Failure to anticipate and adapt to these market trends may result in reduced profitability or difficulties in maintaining a competitive edge. Pharma industrial sector is subject to various regulations, including environmental standards, health and safety protocols, labor and other related laws. Ensuring compliance with these regulations demands rigorous monitoring and investment in compliance measures. Failure to meet regulatory requirements could result in penalties, lawsuits, or reputational damage.

Inserted as Risk Factor Point Number 3:

**Our storage and transportation facilities are Owned and Managed by Third.**

As we are relying on a third-party for managing our godown and transportation that's why our business and products are dependent on their reliability, efficiency, and adherence to quality standards. Any issues or shortcomings on their part could directly impact our operations and supply chain. Also, we have limited control over critical aspects such as inventory management, handling procedures, and delivery timelines due to the third-party storage and transportation facility. This lack of direct control can lead to potential delays, errors, or mismanagement that may negatively impact our business. Outsourcing our godown and transport facilities introduces the risk of compromising quality standards and safety protocols. The third-party provider may not have the same level of dedication and commitment to ensuring the safe handling and storage of our products, which could result in product damage, spoilage, or loss. Working with a third party, there may be a higher risk of miscommunication or coordination issues, leading to delays, misunderstandings, or errors in transporting and managing your materials.

Inserted as Risk Factor Point Number 5:

**Some of the raw materials that we trade are hazardous, corrosive and flammable and require expert handling and storage, as applicable. Any accidents may result in loss of life or property and disrupt our operations which may have an adverse effect on our results of operation, cash flows and financial condition.**

As a pharma company involved in the distribution of Chemicals, Pharma Intermediary, and Pharma API. Certain of the raw materials that we trade are corrosive and flammable and require expert handling and storage, as applicable. Any failure of our control systems, mishandling of hazardous chemicals, leakages, explosion or any adverse incident related to the use of these chemicals or otherwise during the, transportation, handling or storage of products and certain raw materials, may cause industrial accidents, fire, loss of human life and property, damage to our and third-party property and / or environmental damage. The company faces significant risk factors such an incident can lead to severe legal and financial repercussions, it may face substantial legal penalties and fines imposed by regulatory authorities for that our company must implement robust safety measures, adhere to strict storage and handling protocols, conduct regular safety audits, and provide comprehensive training to all personnel involved in the handling of chemicals.

Inserted as Risk Factor Point Number 13:

**Our revenue is dependent on specific segment, the loss of any significant clients in this segment may have a material and adverse effect on our business and results of operations.**

Our Company is in the trading of Pharma Intermediaries, API and Chemicals. Our financial performance has been significantly reliant on the Chemical Segments, Chemical Segment includes the following chemicals, Liquid Bromine, Ethyl Acetate, Thionyl Chloride, Benzyl Chloride, which have consistently contributed a substantial portion of our Total Sales. As of March 31st, 2023, 2022, and 2021, the Chemical Segments accounted for approximately 66.08%, 54.18%, and 76.07% of our Total Sales, respectively.

While our success in these segments has been instrumental in driving overall growth and profitability, it also exposes us to certain risks that merit attention. The primary risk arises from the heavy reliance on this specific industry for generating

revenue. The loss of any significant clients or key accounts within the Chemical Segments could have a material and adverse effect on our business, financial condition, and results of operations.

Substituted Risk Factor Point Number 18 with below which is now mentioned as 22:

**We are subject Foreign Exchange Rate fluctuation and strict compliance of The Foreign Exchange Management Act, 1999 (“FEMA”) and the provisions of FEMA.**

Foreign investment in India is primarily governed by the provisions of FEMA and the rules and regulations promulgated there under. Foreign Exchange Management Act, 1999 (“FEMA”) was enacted to consolidate and amend the law relating to foreign exchange with the objective of facilitating external trade and for promoting the orderly development and maintenance of foreign exchange market in India. FEMA extends to whole of India. This Act also applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention committed thereunder outside India by any person to whom the Act is applies. The Act has assigned an important role to the Reserve Bank of India (RBI) in the administration of FEMA.

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.

## SECTION VII – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Issue constitutes a public Issue of 10,84,800 Equity Shares aggregating to Rs. 911.23 Lakhs of our Company at an Issue Price of ₹ 84/- including premium of Rs. 74/- per Equity Share.

#### FRESH ISSUE

The Issue Proceeds from the Fresh Issue will be utilized towards the following objects Collectively referred as the “Objects”.

1. To Set-up a Manufacturing Unit;
  2. To Repay the Unsecured Loans;
  3. Public Issue Expenses.
- (Collectively referred as the “objects”).

We believe that listing will enhance the corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the Emerge Platform of NSE. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company. Our Company is engaged into the business of trading of pharma products like pharma API, Pharma Intermediary and Pharma chemicals all these products demand by our clientele and manufactured as per their specifications by our suppliers initially in sample size thereafter on clients testing and approving the order is finalized. The approved specified product is manufactured for the order quantity to be dispatched by the appropriate mode of transport within India or abroad.

Our Company is majorly engaged in the pharmaceutical business involving marketing, trading and third-party distribution of wide range of pharmaceutical finished formulations and products, manufactured under contract manufacturing. We have our presence through registered and/or under registration products in countries namely Pakistan, UK, Jordan, Singapore, Belarus, Uruguay, Australia, Germany, Egypt, Netherland, Ireland, Kenya, etc.

We are also into Active Pharmaceuticals Ingredients trading. Some products we outsource, we are also into specialty chemicals imports & exports as well as supply of same to the actual users. As per the clients need and requirements, we provide customize specialty chemicals to our clients in India and abroad regularly. Our Specialty chemicals & its Intermediates have wide application in sectors like pharma, agro, chemicals, performance chemicals, resins, paint, food, adhesive and various other Industries. chemicals, performance chemicals.

The objects clause of our Memorandum enables our Company to undertake its existing activities and these activities which have been carried out until now by our Company are valid in terms of the objects clause of our Memorandum of Association.

#### REQUIREMENTS OF FUNDS

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be ₹ 879.88 Lakhs (the “Net Issue Proceeds”).

Our company intends to utilize the Net Fresh Issue Proceeds for the following Objects (“Objects of the Issue”):

1. To Set-up a Manufacturing Unit;
2. To Repay the Unsecured Loan;

Particulars	Amount (₹ in) Lakhs
Gross Issue Proceeds	911.23
Less: Public Issue Related Expenses	31.35
<b>Net Issue Proceeds</b>	<b>879.88</b>

#### UTILIZATION OF NET ISSUE PROCEEDS

The Net Issue Proceeds will be utilized for following purpose:

S. No.	Particulars	Amount (₹ in) Lakhs	% of Gross Issue Proceeds	% of Net Issue Proceeds
1.	To Set-up a Manufacturing Unit	704.88	77.35	80.11
2.	To Repay the Unsecured Loan	175.00	19.20	19.89

<b>Net Issue Proceeds</b>	<b>879.88</b>	<b>96.55</b>	<b>100.00</b>
---------------------------	---------------	--------------	---------------

## MEANS OF FINANCE

We intend to finance our Objects of the Issue through Issue Proceeds which are as follows:

S. No.	Particulars	Amount Required (₹ in Lakhs)	From IPO Proceeds	Internal Accruals / Equity / Reserves	Balance from Long/Short Term Borrowing
1.	To Set - up a Manufacturing Unit	2,300.00	704.88	502.63	1,092.49
2.	To Repay the Unsecured Loan of the Company	218.46	175.00	43.46	-
3.	Public Issue Expenses.	31.35	31.35	-	-
	<b>Total</b>	<b>24,177.35</b>	<b>911.23</b>	<b>546.09</b>	<b>1,092.49</b>

Accordingly, we confirm that we are in compliance with the requirement to make the firm arrangement of finance under Regulation 230 (1) (e) of the SEBI ICDR Regulations and Clause 9 (C) of Part A of Schedule VI of the SEBI ICDR Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the Issue Proceeds and existing identifiable internal accruals). For compliance the same regulation the company has availed the in-principle approval letter from Bank of Baroda for sanctioning the Loan Amount.

The fund requirement and deployment is based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in the light of changes in external circumstances or costs or other financial conditions and other external factors. In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see the Section titled "RISK FACTORS" beginning on page no. 18 of this Draft Prospectus.

## DETAILS OF USE OF ISSUE PROCEEDS

### 1. TO SET-UP A MANUFACTURING UNIT:

For the purpose of setting up a manufacturing unit our company had already taken the following steps:

- Our company has already paid the sum of Rs. 502.63 Lakhs for Acquisition of Land and its Development, Factory Building and Plant & Machinery by Borrowings from Financials Institution (Unsecured Loans) worth Rs. 480.00 Lakhs and Rs. 22.63 Lakhs from other Bank.
- Acquired the Land admeasuring approximately 16,400 sq. mtrs on 06<sup>th</sup> June, 2022, situated at Area No. 56/2 and 57 in Harsule, Sinnar, Nashik, Maharashtra, pursuant to the sell agreement with Mr. Sharad Bahiru Shinde and Mr. Yogesh Datatray Shinde, at Nashik, Maharashtra, for that company has paid advance amount of Rs. 189.65 Lakhs (including registry expenses and other miscellanies expenses).
- Company have already completed the work of Land NA Conversion, appointed Civil Engineer and Technical Consultant for the Design of Land Layout and other relevant design which is required to submit at MPCB (Maharashtra Pollution Control Board). Company appointed M/s. Esses Consulting Engineers for Technical support of the product development and factory designing and M/s. Desteq Engineers for Civil Contracts for Building Designs.

- Company completed the Topographical survey of land and soil investigation done by M/s. Desteq Engineers for the purpose preparation of EIA report part.
- Company has already applied to CGWB (Central Ground Water Board) for the permission of 4 Borewell in the Land. Application dated 07<sup>th</sup> June, 2023 for the Capacity of 95 m<sup>3</sup>/day.
- Company got NOC from Local Grampanchayat Authority for the 15 m<sup>3</sup>/day (15 KLD) dated 30<sup>th</sup> April, 2023.
- Company also applied to MSEDCL (Maharashtra State Electricity Distribution Company Ltd.) for electricity connection for 25KVA for construction purpose.
- As per design of Land Layout, company completed the Land Leveling from approved Vendor and prepare Land Fencing Design from approved vendor. Also build Cabin for watchmen and keep two watchmen regularly.
- The company has received the TOR (Term of Reference) (Proposal No. IA/MH/IND3/411539/2022) from Central Government on 06<sup>th</sup> January, 2023, it is one of the mandatory requirement for Environment Clearance Certificate from central government. As per the TOR condition company have to give detail information to MPCB (Maharashtra Pollution Control Board, state government environmental clearance department) for the project and related documents. For preparation of documents company appoint Environmental Consultant M/s. Sadekar Enviro Engineers Private Limited). Environmental Consultant team prepare Environmental Impact Assessment (EIA) report for the submission to Minister of Environment, Forest and Climate change Impact Assessment Division (i.e. Central Government environmental clearance department).
- Company has applied for Environment Clearance in the Department of Minister of Environment, Forest and Climate change Impact Assessment Division dated 28<sup>th</sup> December, 2022. For this application company received TOR (Term of Reference) (Proposal No. IA/MH/IND3/411539/2022).
- For that Company request MPCB for public hearing with Local Authorities of Harsule Village, Sinnar, Nashik. Company already submit request letter to MPCB.
- Company approves some vendors for working of Plant and Machinery and for that already paid some advance to them for start of work and to few of them to start design preparation.

## **PROJECT DESCRIPTION**

As per the detailed Project Report submitted by M/S N.H. Vairva & Co., Chartered Accountant on 31st May, 2023 for the purpose of calculating all the project related cost.

### **A) PROJECT PROPONENT:**

API Manufacturing Unit for Manufacturing Anthelmintics Human Tropical and Veterinary Medicine Cost-effective.

### **B) USES AND APPLICATIONS:**

Albendazole, Oxytoclozanide, Fenbendazole are Used for Human and Veterinary Medicine

### **C) NEED OF PROJECT AND ITS IMPORTANCE TO THE COUNTRY AND/OR REGION:**

During & after COVID, most of products manufactured in China and other Country were closed, our trading experience for the same has helped us to identify the Gaps between Demand and Supply in manufacturing in terms of cost effectiveness, service deliverance and on time. The Company intend reinforcing our process to provide the best of deliverance to Pharma Industry worldwide.

### **D) IMPORTS VS. INDIGENOUS PRODUCTION:**

Raw material will be purchased from indigenous production. This helps in the economic development of the country to a great level. Thus, to decrease the dependency on imports, the project can work in positive manner.

Based on the current cost of indigenous raw materials and the non-availability of some materials, the company will import some of the key raw materials as they are not available indigenously. This will make our company very competitive against imported finished products and the company will export finished products in the international market.



**E) EXPORT POSSIBILITY:**

Company will explore the possibility of exporting the products.

**F) DOMESTIC / EXPORT MARKETS:**

Company products has good demand in local & international markets. Company will explore the possibility of exporting the products.

**FINANCE AND INVESTMENTS**

The total project investment in Land, Buildings, Plant and Machinery is approximately Rs. 2,300 Lakhs. The manufacturing facility will be developed in future to meet the required norms and international standard approvable level. However, detailed breakup of proposed investment is shown as Table A and details of financial arrangements is shown as Table B.

**TABLE – A BREAKUP OF PROPOSED MANUFACTURING UNIT**

(Rs. In Lakhs)		
S. No.	Particulars	Amount
1.	Land	189.65
2.	Land Development	270.81
3.	Building, Electrification, utilities equipment and ancillary construction work	783.54
4.	Plant and Machinery	1,056.00
	<b>Total Project Cost</b>	<b>2,300.00</b>

To meet the financial requirements for the project, management has decide that Rs. 2,300 Lakhs of Total Finance will use from the equity received and object mention in the Initial Public Offering (IPO) and rest amount will be borrow from Bank or from other internal sources.

Descriptive details of financial arrangements as mentioned below:

**TABLE – B FINANCIAL ARRANGEMENTS**

(Rs. In Lakhs)		
S. No.	Particulars	Amount
1.	Already Spent*	502.63
2.	Equity raises by Initial public offering fund (IPO) and use for manufacturing unit.	704.88
3.	Borrow from Bank or Internal Sources	1,092.49
	<b>Total Project Cost</b>	<b>2,300.00</b>

\*Company spent the amount from its own funds and from borrowing unsecured loans from Banks and Financial Institutes.

**DETAILS OF FUND ALREADY SPENT FROM INTERNAL ACCRUALS**

(Rs. In Lakhs)				
S. No.	Particulars	Amount Required	Amount Spent	Balance
1.	Acquisition of Land	189.65	189.65	-
2.	Land Development	270.81	116.62	154.19
3.	Factory Building	783.54	101.40	682.14
4.	Plant and Machinery	1,056.00	94.96	961.03
	<b>Total</b>	<b>2,300.00</b>	<b>502.63</b>	<b>1,797.36</b>

**a. Land:**

The proposed manufacturing facility is envisaged to be set up at Area No. 56/2 and 57 in Harsule, Sinnar, Nashik, Maharashtra. Our Company has already acquired land parcel admeasuring approximately 8,400 sq. mtrs. and 8000 sq. mtrs. respectively (4 Acre), pursuant to the Purchase Agreement with Mr. Sharad Bahiru Shinde and Mr. Yogesh Dattatray Shinde, dated 06<sup>th</sup> June, 2022 at Nashik, Maharashtra, for that company has paid advance amount of Rs. 189.65 Lakhs (including registry expenses and other miscellanies expenses). This amount is not part of the object of the issue the Company will not utilize any issue proceed for the land.

Details of the cost of land are as under:

Particulars	Rs. In Lakhs
Land including conveyance charges (Already Spent)	189.65
<b>Total</b>	<b>189.65</b>

- We hereby undertake that the Company or Promoters or Promoter Group or Directors is not having any relation with the owners of the Land.
- We hereby undertake that the Land Acquired is free from all encumbrances, has a clear title and it is registered in the name of the Company.
- There was no such approval required for the purchase of land at by the issuer.

**b. Land Development:**

For the Manufacturing Project the company has already purchase a land and on the land, land development work is important for the setting up a manufacturing unit the total estimated cost of land development is Rs. 270.89 Lakhs following is the bifurcation of the total estimate cost of land development.

(Rs. In Lakhs)

S. No.	Particulars	Amount
1.	Soil Investigation & others	44.00
2.	Compound Wall	61.00
3.	Land NA Conversion, Preparation of layout & Survey Report	46.31
4.	Land Levelling, Electrical Connections and other	119.50
	<b>Total</b>	<b>270.81</b>

Out of the above estimated cost of Rs. 270.81 Lakhs, the Company has already spent Rs. 116.62 Lakhs on Land Development through the internal accruals or Borrowings, the following is the bifurcation of the amount already spent by the company.

(Rs. In Lakhs)

S. No.	Particulars	Amount	Vendor	Reason
1.	Land Topographical Survey and Soil Investigation	2.54	M/s Civil Tech	It's a Geotechnical investigation done by company from M/s Civil Tech. Under this investigation determining the relative locations of points (places) on the earth's surface by measuring horizontal distances, differences in elevation and directions
2.	Commission for Land Purchase	34.48	Mediators for Land Purchase	-
3.	Advertisement for Factory	8.26	Mr. Jayesh Patel	-
4.	Fencing Boundary Wall	17.89	M/s Gawali Engineering and Co	Engineering firm for work
5.	Fencing Boundary Wall	4.17	Mr. Siddesh Gurav	Local Contractor for Fencing Boundary wall work appointed by Gawali Engineering Co.
6.	Land Layout Charges	5.90	Zodiac Ventures Ltd	Layout preparation as per design passed by company.
7.	Land N.A. Conversion	16.80	Mr. Suresh	Appointed for Land Legal documentation and Land N.A. Conversion done by him.
8.	Land Levelling Charges	25.66	M/s Siddharth Enterprises	This is local contractor done Land Leveling as per design approved by company. They mainly do Dumper and Machinery services.
9.	Watchmen Cabin Expenses	0.93	Mr. Jitendra	Local person of Sinnar, Nashik. He fabricate watchmen cabin for seating and sleeping purpose.
	<b>Total</b>	<b>116.62</b>		

Out of the above estimated cost of Rs. 270.81 Lakhs, the Company has already spent Rs. 116.62 Lakhs on Land Development through the internal accruals or Borrowings and the company will use Rs. 154.19 Lakhs from the IPO

Proceeds, following is the bifurcation of the amount which company is taking through the IPO proceeds.

(Rs. In Lakhs)

S. No.	Particulars	Amount	Vendor	Date of Quotation / Purchase Order / Invoice
1.	Fencing Boundary Wall	52.23	M/s Gawali Engineering and Co	24th January, 2023
2.	Land Levelling	101.96	Desteq Engineers	16th January, 2023
	<b>Total</b>	<b>154.19</b>		

**c. Building:**

Building work for the Project mainly includes factory shed, utilities, under-ground water tank, office building and electric substation, among others. The total estimated cost for building and civil works is Rs. 783.54 Lakhs. Company has received quotation dated 22nd April, 2022 from Desteq Engineers for the site development and civil works also company has given advance amount of Rs. 101.40 Lakhs for the same.

Name of Work	Area in Mtrs.	Rate per Mtr. (Rs.)	Rs. In lakhs
Factory Shed	2,250	15,000	337.50
Utilities, underground water tank etc.	2,275	12,000	273.00
Watchmen room and meter room etc.	48	10,000	4.80
Office building	150	15,000	22.50
Electric substation	150	10,000	15.00
Labour and Supervisor Quarters	75	6,000	4.50
<b>Total Work Cost</b>			<b>657.30</b>
Add: Architect Fees			6.71
<b>Total Building and Civil Work Cost</b>			<b>664.01</b>
Add: GST @ 18%			119.52
<b>Total Cost of Building</b>			<b>783.54</b>

Company's Promoters, Directors and Key Managerial Personnel do not have any interest in engineering, procurement and construction of the building work as above.

**d. Plant and Machinery:**

Company has acquired / proposes to acquire plant and machineries at an estimated cost of Rs. 1,056 Lakhs. Company has identified the type of plant and machinery to be purchased for the proposed manufacturing unit and obtained quotations from various vendors. Company has received some of these plant and machineries and balance are to be acquired. The detailed list of plant & machinery acquired / to be acquired by Company is provided below, quotation will be valid for 6 months from the date of receiving the quotation:

S. No.	Machine Name	Qty.	Total Cost (Rs. In Lakhs)	Vendor	Date of Quotation / Purchase Order / Invoice
1.	Effluent Treatment Plant	1	25.00	AcSION Engineering (India) Private Limited	02 <sup>nd</sup> March, 2023
2.	Boiler	1	30.00	Arizon Thermal System	02 <sup>nd</sup> April, 2023
3.	Thermopack	1	25.00		
4.	Low Vacuum System	1	10.00		
5.	High Vacuum System	1	25.00		
6.	TCN Reactor	4	120.00		
7.	Primary Condenser for Reactor	4	66.00	Camy Plant	30 <sup>th</sup> March, 2023
8.	Secondary Condenser for Reactor	4	48.00		
9.	Addition Tank for Reactor (SS 316)	6	24.00		
10.	Addition Tank for Reactor (MS)	4	8.00		
11.	Secondary Condenser	4	32.00		
12.	Crude Reactor	1	15.00		
13.	Reactor	2	52.00		
14.	Caustic Solution Vessel	1	7.00		
15.	Receivers	2	12.00		

16.	Methanol Distillation System	1	22.00		
17.	Methanol Tank	1	8.00		
18.	NASH Tank	1	8.00		
19.	Spent Tank	2	16.00		
20.	Propanol Tank	1	8.00		
21.	Caustic Tank	1	8.00		
22.	Process Water Tank	1	8.00		
23.	PMCC Panel	1	55.84	Ideal Technologies	30th March, 2023
24.	Cyanamdie Reactor	2	37.00	Sachin Industries Limited	31st March, 2023
25.	Column for Reactor	2	4.00		
26.	Primary Condenser for Reactor	2	5.00		
27.	Secondary Condenser for Reactor	2	2.00		
28.	Pipe Fixing, Valves and Pipe Fittings	6	18.00	Saitech Engineers	02nd February, 2023
29.	Chilling Plant	1	23.96	SBC Cooling Private Limited	30th March, 2023
30.	Emergency Scrubbing System	1	25.00	SH Engitech Private Limited	05th April, 2023
31.	Process Pumps	2	15.00		
32.	Agitated Nutsche Filter Dryer	2	100.00	Shiv Shakti Process Equipment Private Limited	30th March, 2023
33.	Cooling Tower	1	8.25	Sysmac Cooling Tower Private Limited	30th March, 2023
34.	Transformer & DG Set	1	24.50	Voltamp Transformers Limited	30th March, 2023
35.	Electrical Fittings (990KVA)	1	49.90	Yog Engineer	05th May, 2023
36.	Electrical Fittings (25KVA)	1	47.55	Yog Engineer	28th March, 2023
37.	Fluidised Bed Dryer	2	49.88	N-Chem Solutions	15th May, 2023
38.	Other Accessories and fittings	LOT	12.12		
39.	Technical Consultancy	-			
	39.1 Sadekar enviro engineers pvt. Ltd.		21.00		
	39.2 CGWB		2.00		
	39.3 MPCB		0.50		
	39.4 Esses Consulting Engineers		15.54		
40.	Other Misc Expenses		1,96		
	<b>Total</b>		<b>1,056.00*</b>		

\*Inclusive of GST.

### Implementation Schedule

Company will implement the project as given below schedules:

Particulars	Estimated Commencement	Estimated Completion
Acquisition of Land	Already Acquired	-
Building		
-Factory	June, 2023	October, 2023
-Office and store room	October, 2023	December, 2023
-Ancillary	October, 2023	December, 2023
Plant and Machinery		
-Placement of orders	July, 2023	September, 2023
-Arrival of Machinery	September, 2023	November, 2023
-Erection and Installation	October, 2023	December, 2023
Power Connection	June, 2023	November, 2023
Trial Production	December, 2023	December, 2023
Commencement of commercial Production	December, 2023	-

### Government and other approvals

<b>Requirement</b>	<b>Authority</b>	<b>Status</b>
Consent to operate	Central Pollution Control Board	Applied
Factory Act License	Directorate of Industrial Safety & Health.	After Completion of Factory
Term of Reference	Central Government	Received dated 06th January, 2023
NOC for establishment of Factory	Local Grampanchayat	Received dated 30th April, 2023
Borwell Connection	Central Ground Water Board	Applied
Electricity Connection	Maharashtra State Electricity Distribution Company Ltd.	Applied
Environment Clearance	Minister of Environment, Forest and Climate	Applied

**SECTION VIII - ABOUT THE COMPANY**

**BUSINESS OVERVIEW**

**SEGMENT WISE REVENUE**

(Rs. In Lakhs)

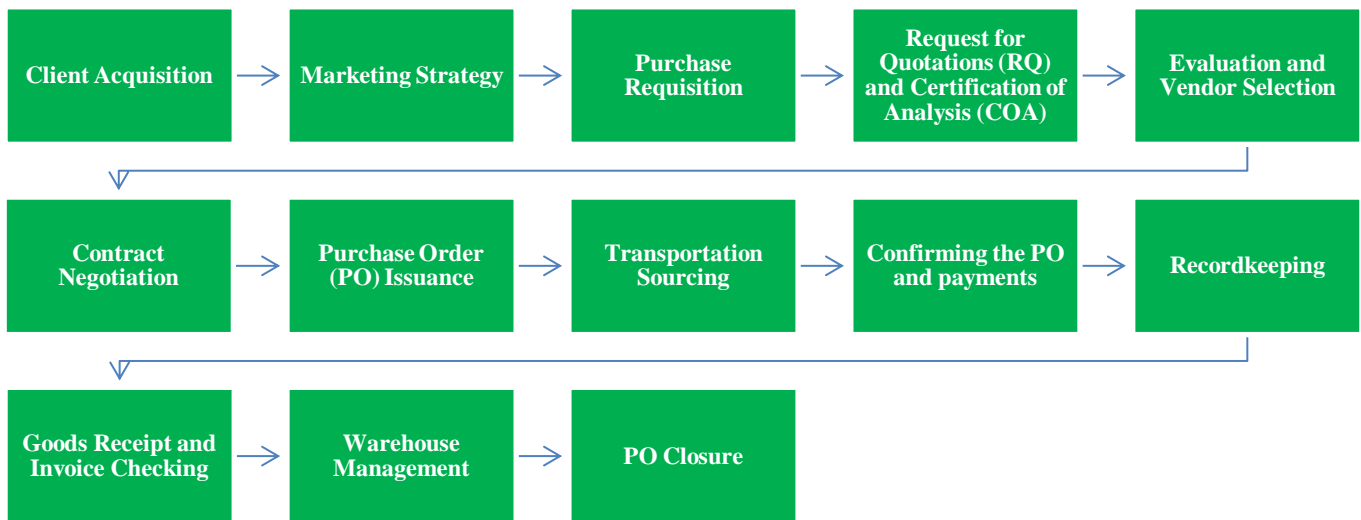
S. No.	Particulars	For the period ended 31st March					
		2023		2022		2021	
		%	Amount	%	Amount	%	Amount
1.	Active Pharmaceutical Ingredient (API)	10.53	528.64	24.69	1,373.84	14.63	536.50
2.	Chemicals	66.08	3,316.93	54.18	3,013.86	76.07	2,788.67
3.	Pharma Intermediate	22.43	1,125.65	21.13	1,175.55	9.30	340.98
4.	Consultancy	0.96	48.10	-	-	-	-
	<b>Total</b>	<b>100.00</b>	<b>5,019.32</b>	<b>100.00</b>	<b>5,563.25</b>	<b>100.00</b>	<b>3,666.15</b>

**DISCLOSE THE SOURCES OF RAW MATERIALS ON THE BASIS GEOGRAPHY**

(Rs. In Lakhs)

S. No.	Particulars	For the period ended 31st March					
		2023		2022		2021	
		%	Amount	%	Amount	%	Amount
<b>1.</b>	<b>ACTIVE PHARMACEUTICAL INGREDIENT (API)</b>						
	Andhra Pradesh	26.06	123.11	63.81	751.70	53.83	284.20
	Gujarat	14.38	67.93	6.96	82.00	5.18	27.36
	Maharashtra	55.59	262.63	24.72	291.17	40.99	216.41
	Odisha	2.01	9.50	-	-	-	-
	Telangana	1.96	9.28	1.42	16.70	-	-
	Uttar Pradesh	-	-	3.09	36.44	-	-
	<b>Total</b>	<b>100</b>	<b>472.44</b>	<b>100</b>	<b>1,178.01</b>	<b>100</b>	<b>527.98</b>
<b>2.</b>	<b>CHEMICALS</b>						
	Andhra Pradesh	-	-	-	-	0.56	13.33
	China	-	-	-	-	0.45	10.75
	Gujarat	41.11	1,178.74	33.50	884.70	39.05	935.80
	Maharashtra	51.19	1,467.65	48.88	1,291.02	46.00	1,102.41
	Punjab	3.13	89.83	5.92	156.34	5.00	119.70
	Rajashtan	2.73	78.23	-	-	-	-
	Telangana	-	-	-	-	0.07	1.61
	Uttar Pradesh	1.84	52.70	11.70	309.15	8.88	212.76
	<b>Total</b>	<b>100</b>	<b>2,867.14</b>	<b>100</b>	<b>2,641.22</b>	<b>100</b>	<b>2,396.36</b>
<b>3.</b>	<b>PHARMA INTERMEDIATES</b>						
	Andhra Pradesh	14.76	211.26	-	-	-	-
	Gujarat	5.49	78.68	18.28	185.02	22.75	72.00
	Haryana	-	-	-	-	2.88	9.11
	Maharashtra	20.57	294.46	57.53	582.41	62.14	196.60
	Tamilnadu	0.23	3.30	0.94	9.51	-	-
	Telangana	58.95	844.10	23.25	235.35	12.23	38.70
	<b>Total</b>	<b>100</b>	<b>1,431.80</b>	<b>100</b>	<b>1,012.29</b>	<b>100</b>	<b>316.41</b>
	<b>TOTAL (1+2+3)</b>	<b>100</b>	<b>4,771.38</b>	<b>100</b>	<b>4,831.51</b>	<b>100</b>	<b>3,240.75</b>

**OUR BUSINESS PROCESS**



### 1. Client Acquisition:

- a) **Market Research:** Conduct extensive market research to identify potential target markets, customer segments, and their preferences;
- b) **Lead Generation:** Utilize various channels such as digital marketing, industry events, referrals, and partnerships to generate leads;
- c) **Lead Qualification:** Evaluate and qualify leads based on criteria such as budget, needs, and alignment with our products/services;
- d) **Sales Process:** Engage in sales activities, including presentations, demonstrations, negotiations, and proposal submissions;
- e) **Client Onboarding:** Once a lead converts into a client, initiate the onboarding process, including necessary documentation and account setup.

### 2. Marketing Strategy:

- a) **Branding:** Develop a strong brand identity, including logos, taglines, and visual elements that resonate with our target audience;
- b) **Product Positioning:** Define unique selling propositions and communicate the value proposition of our products/services;
- c) **Marketing Channels:** Utilize various marketing channels such as digital advertising, content marketing, social media, and email campaigns to reach and engage with our target audience;
- d) **Campaign Execution:** Develop and implement marketing campaigns tailored to specific goals, whether it's lead generation, brand awareness, or product launches;
- e) **Analytics and Optimization:** Continuously monitor and analyze marketing campaign performance, leveraging data to make informed decisions and optimize strategies.

### 3. Purchase Requisition:

- a) Identify the need for materials or services;
- b) Create a purchase requisition specifying the quantity, specifications and delivery requirements;

### 4. Request for Quotations (RQ) and Certification of Analysis (COA):

- a) Send RQ to potential suppliers, outlining the requirements;
- b) Request suppliers to provide quotations along with typical COA for the materials.

### 5. Evaluation and Vendor Selection:

- a) Evaluate the received quotations and typical COAs;
- b) Consider factors such as price, quality, delivery time and supplier reputation;
- c) Select the vendor that best meets the requirements and aligns with the company's procurement strategy.

## 6. Contract Negotiation:

- a) Negotiate contract terms and conditions with the chosen supplier;
- b) Address pricing, delivery schedules, warranties, and any other relevant terms;
- c) Aim to achieve mutually beneficial and satisfactory agreements.

## 7. Purchase Order (PO) Issuance:

- a) Prepare and send a formal PO to the selected supplier;
- b) Include details such as item description, quantity, price, delivery date, payment terms, and any special instructions.

## 8. Transportation Sourcing:

- a) Utilize a database of pre-screened transporters to identify suitable options;
- b) Consider factors like transportation conditions (e.g., temperature control), storage requirements and the nature of the materials;
- c) Select a transporter that can ensure the safe and timely delivery of the materials. Confirming the PO.

## 9. Confirming the PO and payments

- a) Receive a confirmed PO or Proforma Invoice (PI) from the supplier;
- b) Verify that the details match those specified in the original PO;
- c) Make payments to the supplier as per the agreed terms mentioned in the PO/PI;
- d) Follow the payment schedule and methods outlined in the agreement.

## 10. Record Keeping:

- a) Record the PO upon receipt of the Tax Invoice from the supplier;
- b) Maintain accurate records of all transactions, invoices and payment details.

## 11. Goods Receipt and Invoice Checking:

- a) Receive the delivered order either at the warehouse or directly to the buyer/consignee;
- b) Perform a thorough check to ensure the delivered items meet the specified requirements;
- c) Compare the materials received, PO and the received invoice to confirm accuracy;
- d) If the materials meet the requirements, issue a Goods Received Note (GRN) or another document to confirm delivery and receipt of the materials.

## 12. Warehouse Management:

- a) Outsource the warehouse facility to ensure proper storage and stocking of received materials;
- b) Follow appropriate storage protocols to maintain the materials in a safe and suitable condition;
- c) If materials are received at the warehouse, record the inward movement of stock.

## 13. PO Closure:

- a) Close the PO in the procurement system or update its status to reflect the completion of the procurement process;
- b) Ensure all relevant documentation is filed appropriately for future reference;
- c) By following this detailed procurement and purchase order management process, the company can efficiently acquire the required materials or services, maintain accurate records, and ensure timely and compliant transactions with suppliers.

## GEOGRAPHICAL REVENUE BREAKUP - COUNTRY WISE

(Rs. in Lakhs)

S. No.	Name of the Country	As at 31st March, 2023		As at 31st March, 2022		As at 31st March, 2021	
		Amount	%	Amount	%	Amount	%
1.	Pakistan	346.42	6.91	915.51	16.47	451.75	12.32
2.	Jordan	85.77	1.71	99.74	1.79	37.61	1.03
3.	Hong Kong	23.50	0.46	35.16	0.63	44.88	1.22
4.	Singapore	12.74	0.25	13.40	0.24	-	-
5.	Russia	-	-	40.82	0.73	-	-



6.	Egypt	2.45	0.05	77.58	1.39	-	-
7.	Ukraine	-	-	-	-		
8.	Ghana	-	-	4.59	0.08	4.14	0.11
9.	Uruguay	-	-	8.18	0.15	2.24	0.06
10.	United Kingdom	-	-	10.59	0.19	0.9	0.03
11.	Netherland	-	-	11.86	0.21	-	-
	<b>Total</b>	<b>470.88</b>	<b>9.38</b>	<b>1,217.43</b>	<b>21.88</b>	<b>541.52</b>	<b>14.77</b>

## OUR STORAGE AND TRANSPORTATION FACILITY

Storage facilities is not owned by Company but it is managed by third party – Mr. Sunil Singh at Godown No 1, Survey No. 172, Hissa No. 10/2, Near Dal Mill Compound, Mumbai Agra Road, Purna Village, Bhiwandi, Thane - 421302. Company has not done any contract with the third party. He can handle all type of Hazardous and inflammable stocks. All type of Fire Fighting equipment's is kept for precautionary measures at Godown premises. He has loading and unloading and transportation facilities at Godown Company is charges for the number of days Stocks are kept in Godown Premises (Minimum for 15 days even if kept for 1 days and dispatched (sold) on second day).

## Immovable Property

Details of our properties are as follows:

Properties Owned/Leased by the company:

S. No.	Details of Properties	Licensor / Lessor / Vendor	Owned / License / Leased / Rented	Particulars of the Agreement / Deed	Usage
1.	305, Kailash Tower, Shiv Shristi Complex, Goregaon Link Road, Mulund West, Mumbai (M.H.) - 400080.	Mr. Biju Gopinathan Nair	Rented	<b>Type of Instrument:</b> Rent Agreement; <b>Date of Agreement:</b> Lease Agreement; <b>Validity of the Agreement:</b> 10 Years from the date of Agreement i.e. from 30th June, 2023; <b>Parties:</b> Mr. Biju Gopinathan Nair Mrs. Jyothi Biju Nair and Saroja Pharma Industries India Limited; <b>Consideration:</b> No Consideration; <b>Size of the Property:</b> 100 sq. carpet area. <b>Relationship between the parties:</b> Promoter of the Company.	Registered Office
2.	Shop No. 209, 2 <sup>nd</sup> floor, Ecstasy, City of Joy, Jata Shankar Dosa Marg, Mulund West, Mumbai (M.H.) – 400080.	Mr. Kush Harish Thakkar & Mrs. Daksha Harish Thakkar	Lease and License	<b>Type of Instrument:</b> Leave and Licence Agreement; <b>Date of Agreement:</b> 12 <sup>th</sup> January, 2021; <b>Validity:</b> 36 Months from the date of Agreement i.e. from 12 <sup>th</sup> January, 2021; <b>Parties:</b> Mr. Kush Harish Thakkar and Mrs. Daksha Harish Thakkar and Mr. Manish Dashrath Kambale and Mr. Biju Gopinathan Nair on behalf of Saroja Pharma Industries India Limited; <b>Consideration:</b> Rs. 60,000 p.m. for 1 <sup>st</sup> year, Rs. 61,800 p.m. for 2 <sup>nd</sup> year, Rs. 64,890 p.m. for 3 <sup>rd</sup> year; <b>Size:</b> 747 Sq. Carpet area. <b>Relationship Between the Parties:</b> No relationship between the parties. Transaction held at arm's length basis.	Corporate Office
3	Plot no. 56/2, Village: - Harsule, Taluka: - Sinnar, District: - Nashik, State, Maharashtra.	Mr. Sharad Bahiru Shinde	Purchase of NA Land	<b>Type of Instrument:</b> Purchase of NA Land; <b>Date of agreement:</b> 06 <sup>th</sup> June 2022; <b>Parties:</b> Saroja Pharma Industries India Limited (Previously Known as Saroja	Land for Manufacturing Unit

				Pharma Industries India Private Limited) through its Directors Mr. Biju Gopinathan Nair and Mr. Manish Dasharath Kambale and Mr. Sharad Bahiru Kambale; <b>Consideration:</b> 105.35 Lakhs; <b>Size:</b> 8,400 Square Meter; <b>Relationship between the parties:</b> No relationship between the parties. The transection held at arm's length basis.	
4.	Plot No. 57, Village: - Harsule, Taluka: - Sinnar, District: - Nashik, State - Maharashtra.	Mr. Yogesh Dattatray Shinde.	Purchase of NA Land	<b>Type of Instrument:</b> Purchase of NA Land; <b>Date of agreement:</b> 06 <sup>th</sup> June 2022; <b>Parties:</b> Saroja Pharma Industries India Limited (Previously Known as Saroja Pharma Industries India Private Limited) through its Directors Mr. Biju Gopinathan Nair and Mr. Manish Dasharath Kambale and Mr. Yogesh Dattatray Shinde; <b>Consideration:</b> 84.30 Lakhs; <b>Size:</b> 8,000 Square Meter; <b>Relationship between the parties:</b> No relationship between the parties. The transection held at arm's length basis.	Land for Manufacturing Unit

## KEY INDUSTRY REGULATIONS

*The following description is a summary of the relevant regulations and policies as prescribed by the GOI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled “GOVERNMENT AND OTHER APPROVALS” on page 145 of this Draft Prospectus.*

### **BUSINESS/TRADE RELATED LAWS/REGULATIONS:**

#### **Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction**

The Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction (the Chemical Weapons Convention or CWC), is comprised of a Preamble, 24 Articles, and 3 Annexes — the Annex on Chemicals, the Verification Annex, and the Confidentiality Annex. The Convention aims to eliminate an entire category of weapons of mass destruction by prohibiting the development, production, acquisition, stockpiling, retention, transfer or use of chemical weapons by States Parties. States Parties, in turn, must take the steps necessary to enforce that prohibition in respect of persons (natural or legal) within their jurisdiction. As the part of the Convention and a pharma company deal in the Chemicals, Pharma Intermediary and Pharma API we need to comply the regulations framed under the same treaty. The company is compliance with “Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction.

## OUR PROMOTERS AND PROMOTERS GROUP

### OUR PROMOTERS GROUP

In addition to our Promoters named above, the following individuals and entities form a part of the Promoters' Group:

#### A. Natural persons who are part of our Individual Promoter Group:

RELATIONSHIP WITH PROMOTER	MR. BIJU GOPINATHAN NAIR	MR. MANISH DASHARATH KAMBLE
Father	Late Gopinathan Nair	Mr. Dasharath Kamble
Mother	Mrs. Saroja Gopinathan Nair	Mrs. Sushama D Kamble
Spouse	Mrs. Jyothi Biju Nair	Mrs. Sonal S Diwadkar
Brother/s	-	Mr. Rahul D Kamble
Sister/s	Mrs. Beena Sureshababu Nair and Mrs. Bindu Ramchandran Kurup	-
Son/s	-	-
Daughter/s	Ms. Aditri Biju Nair	Ms. Unnati Manish Kamble
Spouse's Father	Mr. Kutty Krishnan Nair	Mr. Siddarth Diwadkar
Spouse's Mother	Late Sridevi Nair	Late Snehal S Diwadkar
Spouse's Brother/s	-	Mr. Kunal s diwadkar
Spouse's Sister/s	Ms. Rethi K Nair	-

## SECTION IX – FINANCIAL INFORMATION OF COMPANY

### MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial position and results of operations together with our Restated Standalone Financial Information, which have been included in this Draft Prospectus. You should also read the section entitled “RISK FACTORS” beginning on page 18 and “FORWARD LOOKING STATEMENTS” beginning on page 11, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations.*

*The following discussion and analysis of our financial position and results of operations is based on our Restated Standalone Financial Information for financial years ended March 31<sup>st</sup>, 2023, 2022 and 2021 including the related notes and reports, included in this Draft Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited financial statements for the respective period and years. Accordingly, the degree to which our Restated Standalone Financial Information will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader’s level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward looking statements as a result of certain factors such as those described under “RISK FACTORS” and “FORWARD LOOKING STATEMENTS” on pages 18 and 11, respectively, and elsewhere in this Draft Prospectus. Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.*

#### **Comparison of Financial Performance of Fiscal 2022 with Fiscal 2021:**

The following descriptions set forth information with respect to the key components of our profit and loss statement.

#### **1. INCOME:**

**Total Revenue:** During FY 2021-22 the revenue from operation and other income of the company increased to ₹5595.67 Lacs as against ₹3674.67 Lacs in FY 2020-21. The reason behind the increase in the Total Revenue of the company was mainly due to the impact of COVID-19 Pandemic as production of Vaccines and other medicines increase in the year FY 2021-22 leading to increased use of Pharma Intermediate products in the pharma industry. As that company is primarily involved in the trading of pharmaceutical intermediaries, which can be used in the production of various human medicines, including vaccines.

## FINANCIAL INDEBTEDNESS

Our Board is empowered to borrow money in accordance with Section 179 of the Companies Act and our Articles of Association.

Following is the statement of Company's outstanding secured and unsecured Loans.

### Long term Borrowings of the Company

Particulars	As at		
	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2021
<b>(i) SECURED LOANS</b>			
Term Loan from Bank:			
Term Loan (refer note-1)	50.00	50.00	0.00
Term Loan (refer note-2)	12.69	18.98	0.00
	<b>62.69</b>	<b>68.98</b>	0.00
<b>Term Loan from Financial Institution:</b>			
<b>(ii) UNSECURED LOANS</b>			
Unsecured Loans from Directors (refer note-3)	0.00	0.00	141.62
Unsecured Loan from Bank and Financial Institution			
a) Axis Bank	13.83	23.46	0.00
b) Bajaj Finance Ltd	14.69	23.83	0.00
c) Bajaj Finance Ltd	27.69	0.00	0.00
d) Fullerton India Credit	40.85	0.00	0.00
e) ICICI Bank	15.10	24.60	0.00
f) IDFC First Bank Ltd	58.51	0.00	0.00
g) Tata Capital	47.80	28.84	0.00
<b>Total (i)+(ii)</b>	<b>218.46</b>	<b>100.73</b>	<b>141.62</b>
<b>Total (i) + (ii)</b>	<b>281.15</b>	<b>169.71</b>	<b>141.62</b>

### Short term Borrowings of the company

Particulars	As at		
	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2021
<b>Secured</b>			
Working capital loan	0.00	444.16	160.15
Working capital loan	737.71	0.00	0.00
<b>Unsecured</b>			
Repayable on demand	0.00	0.00	0.00
From Related Parties	0.00	0.00	0.00
From Others	0.00	0.00	0.00
Current Maturities of Long-Term debt	0.00	0.00	0.00
<b>Total</b>	<b>737.71</b>	<b>444.16</b>	<b>160.15</b>

Details of Secured Loans from Bank:-				
<b>Note 1 :</b> Secured Term Loan from Bank of Baroda, Mulund Branch	Term Loan for an amount of Rs.50.00 Lakhs	Repayable in 36 equated monthly installments of Rs. 1.38 Lakhs starting from Jan, 24. ((Initial loan sanction Date	9.25	Having Collateral security on Director properties 1) 305, Kailash Tower, Shiv Shrishti Complex, Goregaon Link Road, Mulund West Mumbai 400080 and 2) House 41, Perumbavoor, Kerala
<b>Note 2:</b> Secured car Loan from Saraswat, Mulund Branch	Term Loan on Vehicle-20 Lakhs	Repayable in 36 equated monthly installments of Rs. 0.61 Lakhs starting	6.75	Primary security on Commercial Vehicle

		from Feb, 22.		
Unsecured Loan from Director	car	Repayable Demand	on	10.10

Unsecured Loan from Financial Institution

a). Axis Bank	Term Loan on-30 Lakhs	Repayable in 36 equated monthly installments of Rs. 1.01 Lakhs starting from Jul, 2021.	13.50
b) Bajaj Finance Ltd	Term Loan on-29.19 Lakhs	Repayable in 36 equated monthly installments of Rs. 1.02 Lakhs starting from Jul, 2021.	16.00
c) Bajaj Finance Ltd	Term Loan on-28.92 Lakhs	Repayable in 36 equated monthly installments of Rs. 1.04 Lakhs starting from Jul 2021.	17.75
d) Fullerton India Credit	Term Loan on-50 Lakhs	Repayable in 36 equated monthly installments of Rs. 1.76 Lakhs starting from Jul., 2021.	16.00
e) ICICI Bank	Term Loan on-30 Lakhs	Repayable in 36 equated monthly installments of Rs. 1.05 Lakhs starting from Jul., 2021.	15.00
f) IDFC First Bank Ltd	Term Loan on-61.20 Lakhs	Repayable in 36 equated monthly installments of Rs. 2.15 Lakhs starting from Jul., 2021.	16.00
g) Tata Capital	Term Loan on-50 Lakhs	Repayable in 36 equated monthly installments of Rs. 1.76 Lakhs starting from Jul., 2021.	16.00