

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

FOR THE ELIGIBLE EQUITY SHAREHOLDERS OF GENPHARMASEC LIMITED (“THE COMPANY”) ONLY

This is an Abridged Letter of Offer (“ALOF”) containing salient features of the Letter of Offer dated January 09, 2024 (“Letter of Offer” / “LOF”) which is available on the websites of the Registrar, our Company and the Stock Exchange (i.e., BSE Limited (“BSE”). You are encouraged to read greater details available in the LOF. Capitalized terms not specifically defined herein shall have the meaning ascribed to them in the LOF.

THIS ABRIDGED LETTER OF OFFER CONTAINS 12 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES

Our Company has made available on the Registrar’s website at www.purvashare.com, Abridged Letter of Offer along with the Rights Entitlement Letter and Application Form to the Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. You may also download the Letter of Offer from the websites of the Company, the Stock exchange where the Equity Shares of our Company are listed, and the Registrar, i.e., at www.genpharmasec.com; www.bseindia.com and www.purvashare.com respectively. The Application Form is also available on the respective websites of the Company, Registrar and the Stock Exchange.



GENPHARMASEC LIMITED

Our Company was originally incorporated as “Adi Rasayan Limited” a private limited company vide a Certificate of Incorporation dated 16th November, 1992, issued by the Registrar of Companies, Gujrat, Dadra & Nagar Haveli under the provisions of the Companies Act, 1956. Subsequently, the name of our Company was changed to “Generic Pharmasec Limited” and a fresh certificate of incorporation dated 27th November, 2018 consequent upon change of name was issued by the Registrar of Companies, Ahmedabad. Thereafter, the name of our Company was further changed to “Genpharmasec Limited” and a fresh certificate of incorporation dated 25th October, 2021 consequent upon change of name was issued by the Registrar of Companies, Mumbai. For further details in relation to our Company, please refer to the section titled “General Information” beginning on page 50 of the Letter of offer.

CIN- L24231MH1992PLC323914

Registered Office: Office No. 104 & 105 1st Floor Gundecha Industrial Premises Co-op Soc. Ltd.
Akurli Road Kandivali East Mumbai City MH 400101;

Tel: No. +91- 86555 50242;

E-mail: compliance@genpharmasec.com;

Website: www.genpharmasec.com;

Contact Person: Ms. Heta Deepak Shah, Company Secretary & Compliance Officer

PROMOTERS OF OUR COMPANY: MR. RAJESH SADHWANI AND MRS. SNEHA SADHWANI

ISSUE DETAILS

ISSUE OF UPTO 27,68,59,850 EQUITY SHARES OF FACE VALUE OF RE. 1 EACH (“EQUITY SHARES”) OF GENPHARMASEC LIMITED (“GENPHARMA” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF RS. 1.75 PER EQUITY SHARE (INCLUDING PREMIUM OF RS. 0.75 PER EQUITY SHARE) (“ISSUE PRICE”) FOR AN AGGREGATE AMOUNT NOT EXCEEDING RS. 4,845.05 LAKHS TO THE ELIGIBLE EQUITY SHAREHOLDERS ON RIGHTS BASIS IN THE RATIO OF 1 (ONE) EQUITY SHARE FOR EVERY 1 (ONE) EQUITY SHARE HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, I.E. 09TH JANUARY, 2024 (THE “ISSUE”). THE ISSUE PRICE IS 1.75 TIMES OF FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE SEE THE CHAPTER TITLED “TERMS OF THE ISSUE” ON PAGE 123 OF THE LETTER OF OFFER.

AMOUNT PAYABLE ON APPLICATION: RS. 1.75/- PER EQUITY SHARE

The existing Equity Shares of our Company are listed on BSE Limited (BSE). Our Company has received “in-principle” approval from BSE for listing the Equity Shares to be allotted pursuant to the Issue through its letter dated 21st December, 2023. Our Company will also make an application to BSE to obtain their trading approval for the rights entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is BSE.

Procedure: If you wish to know about processes and procedures applicable to a rights issue, you may refer to the section titled “Terms of the Issue” on page 123 of the Letter of Offer. You may download a copy of the Letter of Offer from the websites of our Company, Stock Exchange and Registrar as stated above.

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ELIGIBILITY FOR THE PRESENT RIGHTS ISSUE

Our Company is eligible to offer Equity Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B1 of Schedule VI of the SEBI ICDR Regulations.

INDICATIVE TIMELINES

Issue opening date	January 22, 2024	Date of Allotment (on or about)	February 16, 2024
Last Date on Market Renunciation of Rights Entitlements*	February 02, 2024	Initiation of Refunds	February 16, 2024
Issue Closing Date**	February 09, 2024	Date of Credit (on or about)	February 21, 2024
Finalisation Of Basis of Allotment (On or About)	February 15, 2024	Date of listing (on or about)	February 26, 2024

*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.

**Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk with such investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors shall rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of the Letter of Offer.

Specific attention of the investors is invited to "Risk Factors" beginning on page 31 of the Letter of Offer before making an investment in this Issue.

Name of the Registrars to the Issue and contact details	PURVA SHAREGISTRY (INDIA) PVT. LTD. No-9, Shiv Shakti Industrial Estate, Ground Floor, J. R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel, Mumbai - 400 011. Tel No.: +91 022 4961 4132 / 3199 8810 Fax No.: +91 022-2301 2517 Website: www.purvashare.com E-mail ID: newissue@purvashare.com Contact Person: Ms. Deepali Dhuri SEBI Registration No: INR000001112
Name of Statutory Auditors	M/s. Abhishek S Tiwari & Associates, Chartered Accountants
Self Certificate Syndicate Banks (SCSB)	The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time or at such other website as may be prescribed from time to time. Further, for a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA applications from the Designated Intermediaries and updated from time to time, please refer to the above-mentioned link or any such other website as may be prescribed by SEBI from time to time
Bankers to the Issue	Axis Bank Limited Ashok Nagar, Kandivali (E) Unit No 1 & 2, Crescent Business Boulevard Ashok Chakravarty Road, Ashok Nagar, Kandivali East, Mumbai-400101 Tel: 9819315321/9769674818 Email: vincen.dsouza@axisbank.com , siddharth.jadhav@axisbank.com , prasanna.uchil@axisbank.com

SUMMARY OF BUSINESS

Our Company was originally incorporated as “Adi Rasayan Limited” a private limited company vide a Certificate of Incorporation dated 16th November, 1992, issued by the Registrar of Companies, Gujrat, Dadra & Nagar Haveli under the provisions of the Companies Act, 1956. Subsequently, the name of our Company was changed to “Generic Pharmasec Limited” and a fresh certificate of incorporation dated 27th November, 2018 consequent upon change of name was issued by the Registrar of Companies, Ahmedabad. Thereafter, the name of our Company was further changed to “Genpharmasec Limited” and a fresh certificate of incorporation dated 25th October, 2021 consequent upon change of name was issued by the Registrar of Companies, Mumbai.

Equity Shares of our Company is listed at BSE Limited.

Our Current promoters namely, Mrs. Sneha Sadhwani and Mr. Rajesh Sadhwani acquired the company from existing promoters during the financial year 2018-19.

Our Company is engaged in the distribution of lucrative medical and diagnostics device segment. Our Company believes in providing best and new technology based medical and diagnostics device. Our Company is authorised to carry on the following business as main objects:

- To manufacture, sell, purchase, export, import deal in and act as agents, distributors suppliers of chemicals used to manufacture of pharmaceutical, drugs enzymes and sanitary napkins.
- To manufacture, develop, convert sell, purchase, deal in, import, export all kinds of chemicals and their by-products intermediates, derivatives, formulations and compounds.
- To carry on all or any of the business of manufacturers importers, exporters, buyers, sellers, retailers and distributing agents of and dealers in all kinds of pharmaceutical, medicinal and medicated preparations, patent medicines, drugs, herbs and in pharmaceutical, medicinal and proprietary and industrial preparations, patent medicines, drugs, herbs and in pharmaceutical, medicinal proprietary and industrial preparations, compounds and articles of kinds, chemists, druggists and chemical manufacturers, makeup, prepare ,buy, sell and deal in all articles , substances and things commonly or conveniently used in or for making up preparing, or packing any of the products in which the Company is authorised, to deal or which may be required by customers or persons having dealings with the Company.
- To acquire, establish and maintain one or more hospital/hospitals for the reception and treatment of persons suffering from illness, or mental defect for the reception and treatment of persons during convalescence, or of persons requiring medical attention, or rehabilitation, solely for philanthropic purposes and not for purposes of profit and to provide medical relief to the public in all the branches of medical sciences by all available means.
- To setup hospitals, nursing homes and healthcare centers and provide, encourage, initiate or promote facilities for the discovery, improvement or development of new methods of diagnosis, understanding and prevention and treatment of diseases.
- To undertake the business of providing medical facilities including nursing homes, hospitals, consulting homes for medical men and conduct and to carry on experiments and to provide funds for research works and for scholarships, stipend, remuneration and/or other payments or aid to any person or persons engaged in research work, or work connected with or conducive to research and to encourage and to improve knowledge of the persons who are engaged or likely to be engaged in any medical or related profession so as to make available medical relief to the public at large.
- To invest in, acquire, hold, underwrite, sell or otherwise deal in shares, stocks, debentures, debenture stocks, bonds, negotiable instruments, securities of any company, Government, Public Body or Authority, Municipal and Local Bodies, whether in with in India or abroad.

Our Company has tied up with Abbott Point of Care Corporation INC, USA for distribution of their niche diagnostic equipment namely, i-STAT 1 Analyzer which is a hand-held blood analyzer exclusively used in ICUs and ICCUs of hospitals for immediate test results. i-STAT 1 Analyzer is lightweight, portable and easy to use. It operates with the advanced technology of i-STAT test cartridges. Together they create the i-STAT system – a point-of-care-testing platform that provides healthcare professionals with diagnostic information when and where it is needed. Our Company supplies i-STAT 1 blood Analyzers to various distributors spread all over the country. These distributors supply the same to various government as well as private hospitals in their territory.

For further details, refer chapter titled “*Our Business*” on page 88 of the Letter of offer.

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The proposed utilization of Issue Proceeds is set forth below:

(in ₹ Lakhs)

Sr. No.	Particulars	Amount
1.	To acquire Equity Shares from existing shareholders of Derren Healthcare Private Limited and making it subsidiary Company.	1,443.58
2.	To repay or prepay, in Full or in part, of certain Borrowings availed by our Company.	588.00
3.	To part finance the working capital of the Company.	1,650.00
4.	To meet General corporate purposes	1138.47
5.	To meet the expenses of the Issue	25.00
	Total	4,845.05

Monitoring Agency: As the size of the Issue does not exceed Rs. 10,000 lakhs, in terms of Regulation 16 of the SEBI Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

For more details, please refer to the chapter titled “Objects of the Issue” on page 59 of the Letter of Offer.

Equity Shareholding pattern of the Company as on September 30, 2023

Category of shareholder	Pre-issue number of shares held	% of total paid-up capital
Promoter & promoter group	16,60,01,000	59.96%
Public	11,08,58,850	40.04%
Total	27,68,59,850	100.00%

BOARD OF DIRECTORS OF OUR COMPANY

Name and Designation	Other Directorships as on the date of the Letter of Offer
Mr. Ulhas Narayan Deosthale Executive Director DIN: 09215291	Manusmruti Trading Private Limited
Mr. Rajesh Mirchumal Sadhwani Non-Executive Non-Independent Director DIN: 08315182	NIL
Ms. Sneha Sadwani Non-Executive Non-Independent Director DIN: 08315181	NIL
Mr. Sachin Prakash Aphantakar Non-Executive Independent Director DIN: 08715329	NIL
Mr. Siddhesh Shankar Shende Non-Executive Independent Director DIN: 09629926	NIL
Mr. Mayur Bharatbhai Bhat Non-Executive Independent Director DIN: 08715614	R M Drip and Sprinklers Systems Limited

For more details, see the chapter titled “Our Management” on page 92 of the Letter of Offer.

NEITHER OUR COMPANY NOR OUR PROMOTER OR ANY OF OUR DIRECTORS HAVE BEEN DECLARED AS A WILFUL DEFAULTER BY THE RBI OR ANY OTHER GOVERNMENT AUTHORITY

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A summary of the financial information of our Company for half year ended September 30, 2023 and financial year ended 2022-2023 and 2021-2022 is set out below:

Standalone Financial Statements:

(Rs. in lakhs)

Particulars	Unaudited as at 30/09/2023	Audited as at 31/03/2023	Audited as at 31/03/2022
Total income from operations (net)	1408.68	2561.58	2741.31
Net profit / (loss) before tax and extraordinary items	11.01	28.16	(44.31)
Profit / (loss) after tax and extraordinary items	3.42	112.48	(20.94)
Equity Share Capital	2768.60	2768.60	2768.60
Reserves and Surplus	(1156.29)	(1235.56)	(1231.65)
Net worth	1612.31	1533.04	1536.95
Basic earnings per share (Rs.)	0.00	0.04	(0.01)
Diluted earnings per share (Rs.)	0.00	0.04	(0.01)
Net asset value per share (Rs.)	0.58	0.55	0.56
Return on net worth (%)	0.21	7.34	(1.36)

INTERNAL RISK FACTORS

The below mentioned risks are the top ten risk factors as per the Letter of Offer

1. The Registered Office of Our Company is not owned by us.
2. We have experienced negative cash flows and any negative cash flows in the future could adversely affect our financial conditions and results of operations.
3. Our Company has posted negative Income in the past.
4. We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business and failure to obtain, retain and renew such approvals and licenses or comply with such rules and regulations, in a timely manner or at all may adversely affect our operation.
5. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.
6. Our ability to retain the clients is heavily dependent upon various factors including our reputation and our ability to maintain a high level of quality including our satisfactory performance for the customers. Any failure by us to retain or attract customers may impact its business and revenues.
7. Our Company does not have any long-term contracts with suppliers, which may adversely affect our results of operations.
8. Failure to manage our inventory could have an adverse effect on our net sales, profitability, cash flow and liquidity.
9. Some of our trading items are hazardous in nature. In the event of any accidents involving any such hazardous materials and substances, our Company may be held liable for subsequent damages and litigations.
10. Our Company's failure to maintain the quality standards of the products could adversely impact our business, results of operations and financial condition.

For further details, see the section "Risk Factors" on page 31 of the Letter of Offer

SUMMARY OF OUTSTANDING LITIGATION AND DEFAULTS

- A. Total number of outstanding litigations against the company and amount involved
NIL
- B. Brief details of top 5 material outstanding litigations against the company and amount involved
NIL

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C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters / Group companies in last 5 financial years including outstanding action, if any

NIL

D. Brief details of outstanding criminal proceedings against Promoters

NIL

E. Brief details of outstanding other proceedings against Promoters

NIL

For further details regarding these legal proceedings, please refer to chapter titled “*Outstanding Litigations and Defaults*” on page 111 of the Letter of Offer.

TERMS OF THE ISSUE

DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Shareholders can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable laws) on the websites of:

- (i) Our Company at www.genpharmasec.com;
- (ii) The Registrar at www.purvashare.com;
- (iii) The Stock Exchange at www.bseindia.com;

Process of making an Application in this Issue:

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, all Shareholders desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Shareholders should carefully read the provisions applicable to such Applications before making their Application through ASBA.

Investors can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, titled “Procedure for Application through the ASBA Process” mentioned on page 126 of letter of Offer.

Please note that subject to SCSBs complying with the requirements of SEBI Circular CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI Circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details refer “Grounds for Technical Rejection” 132 Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

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Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, refer chapter titled “Application on Plain Paper under ASBA process” on Page 127 of the Letter of Offer.

Procedure for Application through the ASBA process:

A Shareholders, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application. Shareholders desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Shareholders should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, *via* the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders

Rights Entitlements

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (*i.e.*, www.purvashare.com.) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (*i.e.*, www.genpharmasec.com).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is INE861N20010. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (*i.e.* www.purvashare.com). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Credit of Rights Entitlements in dematerialised account

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, “GENPHARMASEC LIMITED - RE ACCOUNT - OPERATED BY -PURVA SHAREGISTRY (INDIA) PVT LTD”) opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or suspended for

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debit or credit or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., by 7th February, 2024 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form:

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;
- b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- c) The remaining procedure for Application shall be same as set out in “- *Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” mentioned on page 127 of Letter of Offer.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Equity Shares while submitting the Application through ASBA process.

Application for Additional Equity Shares

Shareholders are eligible to apply for additional Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in “*Basis of Allotment*” mentioned on page 146 of the Letter of offer.

Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchange. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for

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authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address or is a U.S. Person or in the United States.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- (a) Name of our Company, being Genpharmasec Limited;
- (b) Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- (c) Folio Number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;
- (d) Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to this Issue
- (e) Number of Equity Shares held as on Record Date;
- (f) Allotment option – only dematerialised form;
- (g) Number of Equity Shares entitled to;
- (h) Number of Equity Shares applied for within the Rights Entitlements;
- (i) Number of additional Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
- (j) Total number of Equity Shares applied for;
- (k) Total amount paid at the rate of Rs. 1.75 per Equity Share;
- (l) Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
- (m) In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
- (n) Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- (o) Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
- (p) All such Eligible Equity Shareholders are deemed to have accepted the following:

“I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for Shareholders in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/ We (i) am/ are, and the person, if any, for whose account I/ we am/ are acquiring such Rights Entitlement and/ or the Rights Equity Shares is/ are, outside the U.S., (ii) am/ are not a “U.S. Person” as defined in (“Regulations”), and (iii) is/ are acquiring the Rights Entitlement and/ or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulations.

I/ We acknowledge that the Company, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where a Shareholders submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Shareholders are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, and the Registrar not having any liability to the Shareholders. The plain paper Application format will be available on the website of the Registrar at www.purvashare.com.

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Our Company, and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Shareholders' ASBA Accounts on or before the Issue Closing Date.

Renounees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renounee(s) as well.

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favor of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer.

Procedure for Renunciation of Rights Entitlements

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange (the "**On Market Renunciation**"); or (b) through an off-market transfer (the "**Off Market Renunciation**"), during the Renunciation Period. The Shareholders should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Shareholders may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Shareholders who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Shareholders on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Shareholders.

On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN INE861N20010 subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchange for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements. The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, *i.e.*, from 22nd January, 2024 to 02nd February, 2024 (both days inclusive).

The Shareholders holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN INE861N20010 and indicating the details of the Rights Entitlements they intend to trade.

The Shareholders can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

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Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat accounts of the Renounees on or prior to the Issue Closing Date to enable Renounees to subscribe to the Equity Shares in the Issue.

The Shareholders holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN INE861N20010, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Shareholders can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

Basis for This Issue and Terms of This Issue

The Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement ratio, see “*The Issue*” beginning on mentioned on page 123 of Letter of offer.

Fractional Entitlements

The Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 1 (One) Equity Share for every 1 (One) Equity Share held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. In terms of present ratio, there will no fractional shares.

INVESTORS TO KINDLY NOTE THAT AFTER PURCHASING THE RIGHTS ENTITLEMENTS (RE) THROUGH ON MARKET RENUNCIATION / OFF MARKET RENUNCIATION, AN APPLICATION HAS TO BE MADE FOR SUBSCRIBING THE SHARES OFFERED UNDER RIGHTS ISSUE. IF NO APPLICATION IS MADE BY THE PURCHASER OF RES ON OR BEFORE ISSUE CLOSING DATE THEN SUCH RES WILL GET LAPSED AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE. NO SHARES FOR SUCH LAPSED RE WILL BE CREDITED, EVEN IF SUCH RE WERE PURCHASED FROM MARKET AND PURCHASER WILL LOSE THE AMOUNT PAID TO ACQUIRE THE RE. PERSONS WHO HAVE BOUGHT RIGHTS ENTITLEMENTS, SHALL REQUIRE TO MAKE AN APPLICATION AND APPLY FOR SHARES OFFERED UNDER RIGHTS ISSUE, IF THEY WANT TO SUBSCRIBE TO THE SHARES OFFERED UNDER RIGHTS ISSUE.

Intention and extent of participation by the Promoter and Promoter Group

The Promoters of our Company have, vide their letters dated 23rd October, 2023 (“Subscription Letters”) indicated their intention to subscribe, jointly and / or severally the full extent of their Rights Entitlement (including any Rights Entitlement renounced in their favour by any other Promoter or member of the Promoter Group of our Company).

Further, Promoter of our Company has, vide Subscription Letter, expressed that it reserves the right to apply for, and subscribe to, additional Rights Equity Shares over and above their Rights Entitlements (including unsubscribed portion of the Issue, if any), subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations.

The acquisition of Additional Rights Equity Shares by the Promoter and Promoter Group, if any, shall not result in change in control of the management of the Company and shall be in accordance with the provisions of the SEBI Takeover Regulations and shall not result in breach of the minimum public shareholding requirements stipulated under the SEBI Listing Regulations.

As such, other than meeting the requirements indicated in the chapter titled “Objects of the Issue” at page 59 of the Letter of Offer, there is no other intention / purpose for the Issue, including any intention to delist our Equity Shares, even if, as a result of any allotment in the Issue to our Promoter and / or the members of our Promoter Group, the shareholding of our Promoter and / or Promoter Group in our Company exceeds their current shareholding.

Other disclosure: A copy of the Letter of Offer dated January 09, 2024 made by the Company for rights issue of Equity Shares is available for inspection on the website of the Company from the date of the Letter of Offer until the Issue Closing Date.

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DECLARATION BY OUR COMPANY : We hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Letter of Offer is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in the Letter of Offer are true and correct.

Name	Signature
Mr. Ulhas Narayan Deosthale Executive Director DIN: 09215291	Sd/-
Mr. Rajesh Mirchumal Sadhwani Non-Executive Non-Independent Director DIN: 08315182	Sd/-
Ms. Sneha Sadwani Non-Executive Non-Independent Director DIN: 08315181	Sd/-
Mr. Sachin Prakash Aphantakar Non-Executive Independent Director DIN: 08715329	Sd/-
Mr. Siddhesh Shankar Shende Non-Executive Independent Director DIN: 09629926	Sd/-
Mr. Mayur Bharatbhai Bhat Non-Executive Independent Director DIN: 08715614	Sd/-
Mr. Sohan Chaturvedi Chief Financial Officer PAN: AJQPC1118E	Sd/-
Ms. Heta Deepak Shah Company Secretary and Compliance officer PAN: FVCPS3609R	Sd/-

Place: Mumbai

Date: 9th January, 2024