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September 27, 2024

The Company Secretary
Senores Pharmaceuticals Limited
1101 to 1103, 11th floor, South Tower,
ONE 42 opposite Jayantilal Park,
Ambali Bopal Road, Ahmedabad,
Ahmedabad, Gujarat, India, 380054s

Dear Sir/Madam,

Re: Proposed Public Issue of Equity Shares of Senores Pharmaceuticals Limited

We refer to the draft offer document of your company filed with the Exchange.

The Exchange has considered the Company's application and decided to permit the Company to use the name of the Exchange in its offer document. The Company is granted In-principle approval for listing of its Equity shares at the Exchange under the proposed public issue.

Accordingly, the Exchange is pleased to inform that the Company may use the name of this Exchange in its offer document in respect of its proposed public issue of equity shares, provided the Company prints the "DISCLAIMER CLAUSE" as given below in its offer document after the "DISCLAIMER CLAUSE" of SEBI.

"BSE Limited ("the Exchange") has given vide its letter dated September 27, 2024, permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner: -

- a. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- b. warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
- c. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever".

You may insert the following lines instead of the entire disclaimer clause in all the advertisements relating to the Company's public issue where this Exchange's name is mentioned:

"It is to be distinctly understood that the permission given by BSE Limited should not in any way be deemed or construed that the Red Herring Prospectus has been cleared or approved by BSE Limited nor does it certify the correctness or completeness of any of the contents of the Red Herring Prospectus. The investors are advised to refer to the Red Herring Prospectus for the full text of the Disclaimer clause of the BSE Limited.

Merchant Bankers shall ensure that the advertisement includes the portion related to **"UPI now available in ASBA for retail investors."**

Needless to add that the Company should obtain the necessary statutory approvals of the concerned regulatory authorities.

The Exchange is also pleased to grant it's in principle approval of the Company's listing application seeking permission for its equity shares to be dealt in on the Exchange subject to the company completing post-issue requirements and complying with the necessary statutory, legal & listing formalities and fulfilling the requirements of Sec. 40 of the Companies Act, 2013. Further the Company is required to ensure that 5 copies of prospectus and 50 application forms for the forthcoming public issue should be provided at each of the Regional Centres of the Exchange, the details of which are available on our website: <http://www.bseindia.com/about/membershipservices.asp>.

The validity of the letter is coterminous with the validity of SEBI observation letter.

Yours faithfully,
For BSE Limited



Hardik Bhuta
Assistant General Manager



Prasad Bhide
Senior Manager

National Stock Exchange Of India Limited

Ref.: NSE/LIST/4210

September 27, 2024

The Company Secretary & Compliance Officer
Senores Pharmaceuticals Limited
1101 to 1103, 11th floor, South Tower,
ONE 42 opposite Jayantilal Park,
Ambali Bopal Road,
Ahmedabad- 380054.

Kind Attn.: Ms. Nidhi Dilipbhai Kapadia

Dear Madam,

Re.: Proposed Public Issue of Equity Shares of Senores Pharmaceuticals Limited

This is with reference to the application received from company for the proposed public issue. It has requested the Exchange to grant an in-principle approval for listing the equity shares.

The Draft Red Herring Prospectus appears to be in order subject to the compliance with applicable provisions under the SC(R)A and rules framed thereunder, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, the Companies Act, 2013 and other relevant guidelines issued by the Ministry of Finance, Government of India, and SEBI.

You have been permitted to use the name of the National Stock Exchange of the India in the Offer Document in respect of the proposed public issue of equity shares provided the Company prints the Disclaimer Clause as given below in the Offer Document after the SEBI disclaimer clause. The in-principle approval is subject to adequate disclosures to be made in the Offer Document as mentioned above.

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/4210 dated September 27, 2024, permission to the Issuer to use the Exchange’s name in this Offer Document as one of the Stock Exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.”

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”



Signer: AKSHAY AGARWAL
Date: Fri, Sep 27, 2024 17:42:09 IST
Location: NSE



Ref.: NSE/LIST/4210

September 27, 2024

You may insert the following lines instead of the entire disclaimer clause in all the advertisements relating to the Company's public issue where this Exchange's name is mentioned:

“It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to the Offer Document for the full text of the ‘Disclaimer Clause of NSE’.”

Please note that the approval given by us should not in any way be deemed or construed that the draft Offer Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this draft offer document; nor does it warrant that the securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of the Company, its promoters, its management or any scheme or project.

Please note that the confirmation provided by the Company with respect to changes to be made in the offer document is attached as Annexure to this letter. The Company is advised to ensure that the same along with this letter shall be made a part of the material contracts and documents for inspection in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

In case the Company has ESOP schemes, post listing the Company shall be required to seek approval from the Exchange(s) as per Regulation 10 and 12 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 separately prior to any fresh grants or allotment pursuant to ESOPs.

The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/incorrect/ misleading/false or in contravention of any Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities, etc.

Further note that this Exchange letter should not be construed as approval under any other Act/Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up the matter with the concerned departments for approval, if any.

This in-principle approval shall be valid up to the validity of the SEBI observation letter.

Yours faithfully,
For National Stock Exchange of India Limited

Akshay Agarwal
Manager

This Document is Digitally Signed



Signer: AKSHAY AGARWAL
Date: Fri, Sep 27, 2024 17:42:09 IST
Location: NSE

Ref.: NSE/LIST/4210

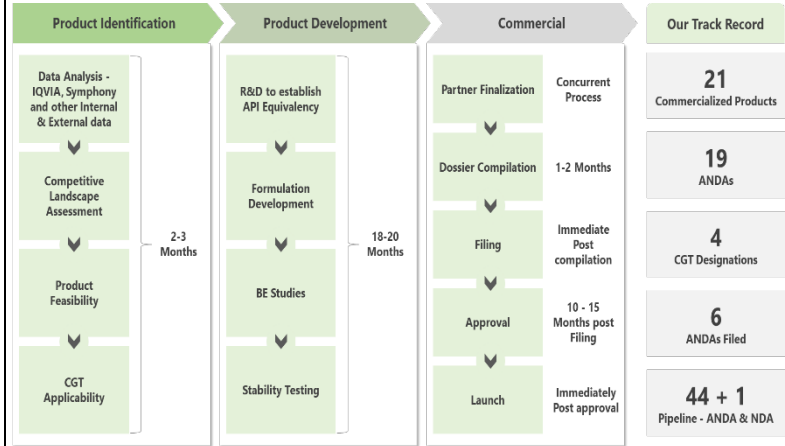
September 27, 2024

Book Running Lead Manager to the Issue: Equirus Capital Private Limited 12th Floor, C Wing, Marathon Futurex, N.M. Joshi Marg, Lower Parel, Mumbai – 400013 Ambit Private Limited Ambit House, 449 Senapati Bapat Marg, Lower Parel, Mumbai 400 013 Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited) 801 - 804, Wing A, Building No 3 Inspire BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051	Registrar to the Issue: Link Intime India Private Limited C 101, 1st Floor, 247 Park Lal Bahadur Shastri Marg, Vikhroli (West) Maharashtra, India 400083
Depositories	
National Securities Depository Limited 4th Floor, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai- 400013.	Central Depository Services Limited Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai 400013.

This Document is Digitally Signed

Schedule I

Changes to be undertaken in the Red Herring Prospectus and Prospectus

Sr. No.	Response
1.	<p>We undertake to update the disclosure in the RHP and Prospectus to include the below pictorial presentation in the section titled “<i>Our Business</i>”.</p>  <p>The flowchart 'Our Track Record' is organized into four main columns. The first column, 'Product Identification', includes 'Data Analysis - IQVIA, Symphony and other Internal & External data', 'Competitive Landscape Assessment', 'Product Feasibility', and 'CGT Applicability', with a duration of 2-3 Months. The second column, 'Product Development', includes 'R&D to establish API Equivalency', 'Formulation Development', 'BE Studies', and 'Stability Testing', with a duration of 18-20 Months. The third column, 'Commercial', includes 'Partner Finalization', 'Dossier Compilation', 'Filing', 'Approval', and 'Launch', with durations of Concurrent Process, 1-2 Months, Immediate Post compilation, 10-15 Months post Filing, and Immediately Post approval respectively. The fourth column, 'Our Track Record', lists: 21 Commercialized Products, 19 ANDAs, 4 CGT Designations, 6 ANDAs Filed, and 44 + 1 Pipeline - ANDA & NDA.</p>
2.	We confirm that risk factor number 49 will be shifted to the top 25 risk factors if the Company in the RHP and the Prospectus.
3.	We confirm that a detailed rationale for the working capital requirements of the Company and the subsidiaries for the past three financial years and estimated period, as provided in Annexure A , will be updated in the section titled “ <i>Objects of the Offer</i> ” of the RHP and the Prospectus.
4.	It is submitted that the description in the section titled “Definitions and Abbreviations” beginning on page 1 of the DRHP will be modified to “RLPL” in the RHP and the Prospectus.
5.	It is submitted that the Subsidiary, Ratnatris Pharmaceuticals Private Limited has responded to each of the notices, each dated July 15 ,2024, issued by the CDSCO confirming that it has initiated all corrective and preventive actions and has submitted the requisite documents, mentioned in the section titled “ <i>Outstanding Litigation and Material Developments – Litigation filed against our Subsidiaries – Actions by regulatory and statutory authorities</i> ” on page 403 and 404 of the DRHP. We confirm that the relevant disclosures will be updated in the RHP and the Prospectus to include details of the responses to the notices.

6.	It is submitted that the Company has obtained a shops and establishments license for its registered office. We undertake to update the disclosure in the section titled “Government and Other Approvals” of the RHP and the Prospectus to reflect the license.																																																																																																
7.	<p>We undertake to update Risk Factor 39 in the RHP and the Prospectus in the following manner:</p> <p>39. We have had instance of delays in payments of statutory dues by our Company. Any delays in payment of statutory dues may attract financial penalties from the respective government authorities and in turn may have an adverse impact on our financial condition and cash flows.</p> <p>We are subject to ongoing reporting and compliance requirements and are required to make payments of periodic statutory dues, which we may not be able to undertake at all times. The table below sets forth details of statutory dues paid by Senores Pharmaceuticals Limited in relation to our employees for the years indicated:</p> <table border="1"> <thead> <tr> <th rowspan="2">Particulars</th> <th colspan="2">Financial Year 2024</th> <th colspan="2">Financial Year 2023</th> <th colspan="2">Financial Year 2022</th> </tr> <tr> <th>Number of employees as at March 31, 2024</th> <th>Statutory dues paid (₹ in million)</th> <th>Number of employees as at March 31, 2023</th> <th>Statutory dues paid (₹ in million)</th> <th>Number of employees as at March 31, 2022</th> <th>Statutory dues paid (₹ in million)</th> </tr> </thead> <tbody> <tr> <td>The Employees Provident Fund and Miscellaneous Provisions Act, 1952</td> <td>105</td> <td>9.70</td> <td>41</td> <td>4.62</td> <td>9</td> <td>2.46</td> </tr> <tr> <td>Employee State Insurance Act, 1948</td> <td>30</td> <td>0.21</td> <td>8</td> <td>0.03</td> <td>-</td> <td>-</td> </tr> <tr> <td>Professional Taxes</td> <td>108</td> <td>0.23</td> <td>47</td> <td>0.08</td> <td>13</td> <td>0.02</td> </tr> <tr> <td>Labour Welfare Fund</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Income Tax Act, 1961 (TDS on Salary)</td> <td>27</td> <td>14.05</td> <td>14</td> <td>6.72</td> <td>10</td> <td>3.79</td> </tr> </tbody> </table> <p>There have been no instances of non-payment or defaults in the payment of statutory dues/liabilities by the Company. There has been no delay in the payment of statutory dues/liabilities under the said acts, except as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2">Particulars</th> <th colspan="2">Financial Year 2024</th> <th colspan="2">Financial Year 2023</th> <th colspan="2">Financial Year 2022</th> </tr> <tr> <th>Number of Instances</th> <th>Amount delayed (₹ in million)</th> <th>Number of Instances</th> <th>Amount delayed (₹ in million)</th> <th>Number of Instances</th> <th>Amount delayed (₹ in million)</th> </tr> </thead> <tbody> <tr> <td>The Employees Provident Fund and Miscellaneous Provisions Act, 1952</td> <td>-</td> <td>-</td> <td>2</td> <td>0.33</td> <td>-</td> <td>-</td> </tr> <tr> <td>Employee State Insurance Act, 1948</td> <td>-</td> <td>-</td> <td>2</td> <td>0.00</td> <td>-</td> <td>-</td> </tr> <tr> <td>Professional Taxes</td> <td>1</td> <td>0.01</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Income Tax Act, 1961 (TDS on Salary)</td> <td>3</td> <td>0.76</td> <td>1</td> <td>0.23</td> <td>-</td> <td>-</td> </tr> <tr> <td>Total</td> <td>4</td> <td>0.77</td> <td>5</td> <td>0.56</td> <td>-</td> <td>-</td> </tr> </tbody> </table> <p>There has been no delay in filing GST returns with the tax authorities, except as stated below.</p>	Particulars	Financial Year 2024		Financial Year 2023		Financial Year 2022		Number of employees as at March 31, 2024	Statutory dues paid (₹ in million)	Number of employees as at March 31, 2023	Statutory dues paid (₹ in million)	Number of employees as at March 31, 2022	Statutory dues paid (₹ in million)	The Employees Provident Fund and Miscellaneous Provisions Act, 1952	105	9.70	41	4.62	9	2.46	Employee State Insurance Act, 1948	30	0.21	8	0.03	-	-	Professional Taxes	108	0.23	47	0.08	13	0.02	Labour Welfare Fund	-	-	-	-	-	-	Income Tax Act, 1961 (TDS on Salary)	27	14.05	14	6.72	10	3.79	Particulars	Financial Year 2024		Financial Year 2023		Financial Year 2022		Number of Instances	Amount delayed (₹ in million)	Number of Instances	Amount delayed (₹ in million)	Number of Instances	Amount delayed (₹ in million)	The Employees Provident Fund and Miscellaneous Provisions Act, 1952	-	-	2	0.33	-	-	Employee State Insurance Act, 1948	-	-	2	0.00	-	-	Professional Taxes	1	0.01	-	-	-	-	Income Tax Act, 1961 (TDS on Salary)	3	0.76	1	0.23	-	-	Total	4	0.77	5	0.56	-	-
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<i>Return Type</i>	<i>Period</i>	<i>Month</i>	<i>Due date</i>	<i>Filing date</i>	<i>Delay</i>	<i>Reason for delay</i>
<i>GSTR3B</i>	<i>Fiscal 2019</i>	<i>August</i>	<i>September 20, 2018</i>	<i>October 6, 2018</i>	<i>16 days</i>	<i>Inadvertent delay at our consultants end.</i>
<i>GSTR3B</i>	<i>Fiscal 2020</i>	<i>November</i>	<i>December 23, 2019</i>	<i>December 24, 2019</i>	<i>1 day</i>	<i>Website error</i>

We cannot assure you that we may face delays of payments of statutory dues in the future any may subsequently be subject to penalties and fines in the future which may have a material adverse effect on our financial condition and cash flows.

8. We undertake to update the disclosure in the section titled “*Other Regulatory and Statutory Disclosures*” beginning on page 411 of the DRHP, in the RHP and the Prospectus, in the manner provided below:

“Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the Regulation 6(2) of the SEBI ICDR Regulations, which states as follows:

“An issuer not satisfying the condition stipulated in sub-regulation (1) shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy-five per cent. of the net offer to qualified institutional buyers and to refund the full subscription money if it fails to do so.”

(₹ in millions)

Description	As at March 31		
	2024	2023	2022
Restated Net Tangible Assets ⁽¹⁾	634.73	12.84	273.98
Restated Monetary Assets ⁽²⁾	76.47	1.00	20.20
% of Restated Monetary Assets to Restated Net Tangible Assets	20.25%	7.79%	11.73%
Restated Operating profit ⁽³⁾	315.72	108.91	12.47
Restated Net-worth ⁽⁴⁾	2,317.10	454.99	365.90

Notes:

	<p>(1) “Net tangible assets” means the sum of all net assets of the Company as per the Restated Consolidated Financial Information excluding Intangible Assets (as per IND AS -26 or IND AS- 38), as defined under the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015)</p> <p>(2) “Monetary Assets” means cash in hand, balance with bank in current and deposit account (net of bank deposits not considered as cash and cash equivalent)</p> <p>(3) “Operating Profit” means the profit before finance costs, other income and tax expenses.</p> <p>(4) “Net worth” means the aggregate value of paid-up share capital and other equity created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, derived from the Restated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.</p> <p>We do not satisfy the conditions specified in Regulation 6(1)(a) and Regulations 6(1)(b) of the SEBI ICDR Regulations, i.e. for maintaining net tangible assets of at least ₹ 30 million calculated on a restated and consolidated basis, in each of the preceding three full years (of twelve months each) and of maintaining an average operating profit of at least ₹ 150 million, calculated on a restated and consolidated basis, during the preceding three years (of twelve months each), with operating profit in each of these preceding three years, respectively. Therefore, we are required to meet the conditions detailed in Regulation 6(2) of the SEBI ICDR Regulations.”</p>
9.	<p>We undertake to update the disclosure in the section titled “Our Business – Description of our Business – Regulated Markets Business” on page 205 of the DRHP, in the RHP and Prospectus in the manner provided below:</p> <p>“Our Regulated Markets Business is carried out through our two subsidiary companies, Havix, which houses our US FDA approved oral solid dosage (“OSD”) facility at Atlanta, US and, Senores Pharma Inc., which holds our intellectual property and enters into agreements with our marketing partners a US based company holding the intellectual property used by our Company, specifically for our ANDA approvals and enters into agreement with our marketing partners.”</p>
10.	<p>We undertake to update risk factor number 48 in the section titled “Risk Factors - We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business, and any delay or inability in obtaining, renewing or maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations.” on page 62 of the DRHP in the RHP and Prospectus in the manner provided below:</p> <p>“Our operations are subject to extensive government regulation, and we are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in the geographies in which we operate, generally for carrying out our business and for our manufacturing facilities. For details of approvals relating to our business and operations, see “Government and Other Approvals” on page 407.</p> <p>Several of these approvals are granted for a limited duration and require renewal. Pursuant to the merger of RLPLRLSPL with our Company, we will also apply to various regulatory authorities for change in name of the approvals obtained by RLPLRLSPL in relation the Naroda Facility. We cannot assure you that the renewals to such approvals or fresh approvals with the modified name of our Company will be issued or granted to us in a timely manner, or at all. If we do not receive such approvals or are not able to renew the approvals in a timely manner, our business and operations may be materially adversely affected. We have applied for registrations under the Legal Metrology (Packaged Commodities) Rules, 2011 for our Company and Ratnatris Pharmaceuticals Private Limited on August 31, 2024. The approvals are pending as on date. We cannot assure you that we will receive the registrations in a timely manner or at all. We have not obtained the registrations required under the Legal Metrology (Packaged Commodities) Rules, 2011 in the past. Although we have not received any notice of non-compliance nor have we had any inspection by any legal metrology officer to examine the packages and carry out tests at our premises under the Legal Metrology (Packaged Commodities) Rules, 2011, we cannot assure you that any such notice will not be issued or inspection will not be held in future. We are also subject to various laws and regulations in the</p>

international markets where we market and sell our products and have ongoing duties to regulatory authorities in these markets, both before and after a product's commercial release. For further details, see "Government and Other Approvals" on page 407. If we fail to obtain or renew such approvals, licenses, registrations and permissions, in a timely manner or at all, our business, results of operations and financial condition could be adversely affected.

The approvals required by us are subject to numerous conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. While there have not been any instances where we have not complied with the terms of such approvals in the past, if there is any failure by us to comply with the applicable regulations in the future or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business. In addition, these registrations, approvals or licenses are liable to be cancelled or the manufacture or sale of our products may be restricted. In case any of these registrations, approvals or licenses are cancelled, or its use is restricted, then it could adversely affect our results of operations or growth prospects."

We undertake to update the disclosure in the section titled "Government and Other Approvals" of the RHP and the Prospectus.

Annexure A

Senores Pharmaceutical Limited (“SPL”)

Senores Pharmaceutical Limited (“SPL”) is the holding company which houses the domestic Critical Care Injectables business and manufactures API. The Critical Care Injectables Business started in August 2022 for supply of critical care injectables across India to various hospitals through distributors. The business of manufacturing APIs commenced on March 2023 with the objective of having an API manufacturing facility as a backward integration activity. While the API business currently caters to the domestic market and SAARC countries, in the medium to long-term, the Company intends to manufacture APIs for the Regulated Markets and also in the semi-regulated markets as a direct product sale. SPL manufactures APIs through its Naroda Facility and is in the process of setting up a new greenfield unit for the manufacture of APIs at Chhatral, Gujarat.

The greenfield expansion will enhance the revenue and consequently increase the working capital requirement. The working capital will be required for managing the inventories, extending credit to customers, giving advance to suppliers, meeting stringent regulatory requirements, all while ensuring that the company can seize growth opportunities and mitigate risks effectively

Key justifications for the holding period

S. No	Particulars	Justifications
Current Assets		
1.	Inventories	As SPL entered the critical care business in Fiscal 2023, higher inventory was required to be held, which resulted in higher inventory holding period. In Fiscal 2024, the inventory holding period reduced due to optimisation in inventory holding as well as increase in turnover.
2.	Trade Receivables	In Fiscal 2023, the trade receivable holding period increased on account of extended credit terms for the services rendered to Havix Group Inc and Senores Pharmaceuticals Inc, Subsidiaries of SPL, on account of initial years of operations of the Subsidiaries. In Fiscal 2024, SPL was able to reduce the holding period, through receipt of funds against old outstanding and reduced credit period.
3.	Cash & cash equivalent	In Fiscal 2023, the holding period for cash and cash equivalents reduced due to business operating requirements. The reduction was on account of higher trade receivable levels. In Fiscal 2024, the holding period for cash and cash equivalents increased due to new infusion of funds on account of issuance of CCDs.
4.	Other current assets	In Fiscal 2023, the holding period for other current assets was high primarily on account of advances given to suppliers towards capital expenditure on setting up new API facility.
Current Liabilities		
5.	Trade payables	In Fiscal 2022, the holding period for trade payable was high on account of higher purchases made during the last quarter of the Fiscal 2022. This normalised in the subsequent fiscals.

S. No	Particulars	Justifications
6.	Current liabilities	In Fiscal 2023, the holding period increased primarily due to amount payable to creditors on account of purchases toward capital expenditure for the API facility.

Senores Pharmaceuticals Inc (SPI)

Senores Pharmaceutical Inc was incorporated on January 28, 2021 as a wholly owned subsidiary of the Company. SPI is a US based company holding the intellectual property used by the Company, specifically for its ANDA approvals and enters into agreement with the marketing partners of the Company.

Upon completion of product identification and the product development reaching an advanced stage, SPI approaches the identified marketing or distribution partners in the Regulated Markets for in-licensing. Once the arrangement is confirmed, the products are filed and then launched by the distribution and marketing companies, while the manufacturing of products takes place at Havix's Atlanta Facility. In addition to an agreed proportion of the net proceeds received from the sale of these products (profit share), SPI receive a transfer price from the distribution and marketing company and an in-licensing fee to cover the cost of product development and for filing and receiving the ANDA approval.

As of March 31, 2024, SPI had obtained 19 ANDAs and commercialised 21 products. As part of SPI's strategy of developing its ANDA portfolio, SPI intends to develop its own ANDAs and also acquire ANDAs to reduce the time to market for the identified molecules. As of May 31, 2024, SPI had identified and filed six ANDAs, six products are on stability, two products have ongoing exhibits, three products are ready for exhibit and 34 ANDAs are under development.

Working capital requirement stems from a long product development cycle. This extended development period requires substantial working capital to sustain operations without revenue from the product under development. Further, the lengthy process of obtaining regulatory approvals from agencies like the FDA can further delay revenue generation, increasing the need for adequate working capital to support ongoing costs. Given the pipeline of products under development, SPI is anticipating an increase in the working capital requirement for Fiscal 2025 and Fiscal 2026.

Key justifications for the holding period

S. No	Particulars	Justifications
Current Assets		
1.	Trade Receivables	Accounts receivable was 0 days in FY2022 since SPI had just commenced its operations. It gradually increased to 3 days in FY2023 and 33 days In Fiscal 20224 in line with growth in the revenues.
2.	Cash & cash equivalent	In Fiscal 2022, the holding period of cash and cash equivalent was high on account nominal turnover due to first year of operations. The holding period reduced in FY20223 on account of non- receipt of expected funds at the end of the year.
3.	Other current assets	The other current assets primarily comprised of accrued share in profits. In Fiscal 2024, the holding period increased further due to higher level of accrual in the last quarter. The normal realisation cycle for such share in profits is 275 -325 days.
4.	Trade payables	In Fiscal 2022, the holding period was high on account of nominal turnover due to first year of operations. Payables are in connection to capital expenditure. In Fiscal 23, the holding period reduced to normal levels.
5.	Current liabilities	In FY2024, the holding period increased due to higher tax provision.

Ratnatris Pharmaceuticals Private Limited (RPPL)

RPPL develops, manufactures and markets generic pharmaceutical products across several major therapeutic areas for the Emerging Markets through the WHO-GMP approved manufacturing facility at Chhatral (Ahmedabad), Gujarat. RPPL became SPL's subsidiary with effect from December 14, 2023.

As of May 31, 2024, RPPL marketed its products in 43 countries in the Emerging Markets and have obtained product registrations for 182 products and has filed product registrations for 245 products. The Chhatral Facility has received approvals from the regulatory bodies of 10 countries. The penetration in the Emerging markets will boost the revenue growth in the emerging markets which could lead to a consequential increase in working capital. Working capital is essential to manage the unique challenges of long development cycles, high inventory costs, complex supply chains, and stringent regulatory requirements.

Key justifications for holding period

S. No	Particulars	Justifications
Current Assets		
1.	Inventories	In Fiscal 2022, there were higher level of goods in transit that increased the inventory holding period.
2.	Trade Receivables	In Fiscal 2023, the trade receivable holding period reduced due to collection from old receivables. In Fiscal 2024, there was increase in trade receivables holding period, mainly on account of proportionately higher sales in the last quarter.
3.	Cash & cash equivalent	In Fiscal 2022, the cash and cash equivalents holding period was high due to business operating requirements.
4.	Other current assets	There was no major change in the holding period
Current Liabilities		
5.	Trade payables	In Fiscal 2022, the trade payable holding period is high on account of higher purchases (including Goods-in-Transit) in last quarter for the year. In Fiscal 2023, the holding period reduced on account of lower purchases in the last quarter and additional working capital facilities availed from the bank.
6.	Current liabilities	In FY20222, it included certain advances from customer which was not there in the Fiscal 2023

For detailed justification for the holding period of the Company and the subsidiaries for the estimated period, please refer to page nos. 119-124 of the DRHP.