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ZENITH DRUGS LIMITED

Corporate Identification Number: U24231MP2000PLC014465



Please scan this QR Code to view the Prospectus.

Our Company was originally incorporated on November 15, 2000 as a Private Limited Company in the name of "Zenith Drugs Private Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Madhya Pradesh, Gwalior. Subsequently pursuant to a Special Resolution of our Shareholders passed in the Extra-Ordinary General Meeting held on September 05, 2023, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to "Zenith Drugs Limited" and a Fresh Certificate of Incorporation consequent to Conversion was issued on September 13, 2023 by the Registrar of Companies, Gwalior. For details in relation to the incorporation, Change in Registered Office and other details, please refer to the chapter titled "Our History and Certain Other Corporate Matters" beginning on page no. 146 of the Prospectus.

Registered Office: K. No. 72 / 5, Village Muradpura, NA, Depalpur, Indore-453001, Madhya Pradesh, India. | Tel: +91 8435501867 | Website: www.zenithdrugs.com | E-mail: info@zenithdrugs.com

Contact Person: Ms. Sakshi Bhavsar: Company Secretary and Compliance Officer

PROMOTERS: MR. SANDEEP BHARDWAJ, MR. BHUPESH SONI AND MR. AJAY SINGH DASSUNDI

ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER IX OF THE SEBI ICDR REGULATIONS (IPO OF SMALL AND MEDIUM ENTERPRISES) AND THE EQUITY SHARES ARE PROPOSED TO BE LISTED ON EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE /SME NSE/ NSE EMERGE).

Our Company has filed the Prospectus dated February 23, 2024, (the "Prospectus") with the Registrar of Companies, Gwalior (RoC), and the Equity Shares are proposed to be listed on the Emerge platform of National Stock Exchange of India Limited ("NSE Emerge") and the listing and trading of the Equity Shares expected to commence on February 27, 2024.

BASIS OF ALLOTMENT

INITIAL PUBLIC OFFER OF 51,48,800 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH ("EQUITY SHARES") OF ZENITH DRUGS LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 79.00 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 69.00 PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ 4,067.55 LAKHS ("THE ISSUE"). THE ISSUE INCLUDES A RESERVATION OF 8,52,800 EQUITY SHARES AGGREGATING TO ₹ 673.71 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 42,96,000 EQUITY SHARES AGGREGATING TO ₹ 3,393.84 LAKHS (THE "NET ISSUE"). THE ISSUE AND THE NET ISSUE CONSTITUTE 30.02 % AND 25.05 % RESPECTIVELY OF THE POST ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO THE CHAPTER TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE 227 OF THE PROSPECTUS.

-: RISKS TO INVESTORS :-

1. There are outstanding legal proceedings involving our Company, Promoters and Directors. Any adverse decision in such proceeding may have a material adverse effect on our business, results of operations and financial condition.
2. Any manufacturing or quality control problems may disrupt our business operations, damage our reputation for high quality production and expose us to potential litigation or other liabilities, which would negatively impact our business, prospects, cash flows, results of operations and financial condition.
3. We highly depend on our major raw materials and a few key suppliers who help us procure the same. Our Company has not entered into long-term agreements with its suppliers for the supply of raw materials. In the event we are unable to procure adequate amounts of raw materials, at competitive prices our business, results of operations and financial condition may be adversely affected.
4. We conduct our business activities on a purchase order basis and therefore have not entered into long-term agreements with our customers except government contracts.
5. Our business activities are exposed to fluctuations in the prices of raw materials.

THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10.00 EACH AND THE ISSUE PRICE IS ₹ 79.00 PER EQUITY SHARE
ANCHOR INVESTOR ISSUE PRICE: ₹ 79.00 PER EQUITY SHARE
THE ISSUE PRICE IS 7.9 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

BID / ISSUE PROGRAMME

BID/ISSUE OPENED ON: MONDAY, FEBRUARY 19, 2024
BID/ISSUE CLOSED ON: THURSDAY, FEBRUARY 22, 2024
PROPOSED LISTING: TUESDAY, FEBRUARY 27, 2024*

*Subject to the receipt of listing and trading approval from NSE Emerge.

PROPOSED LISTING: The Equity Shares of the Company offered through the Prospectus dated February 23, 2024 are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") in terms of the Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received In-Principle Approval Letter dated January 03, 2024 from National Stock Exchange of India Limited for listing our shares and also for using its name in the Issue document for listing of our shares on NSE Emerge. It is to be distinctly understood that the permission given by National Stock Exchange of India Limited should not in any way be deemed or construed that the Issue Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Issue Document. The investors are advised to refer to the Prospectus for the full text of the "Disclaimer Clause of the Emerge Platform of National Stock Exchange of India Limited" on page 221 of the Prospectus. For the purpose of this issue the Designated Stock Exchange will be NSE Emerge. The trading is proposed to be commenced on or after February 27, 2024 (Subject to receipt of listing and trading approval from National Stock Exchange of India Limited).

The Issue was made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") wherein not more than 50% of the Issue was made available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"). Our Company in consultation with the Book Running Lead Managers ("BRLM") had reserved up to 60% of the QIB Portion to Anchor Investors on a discretionary basis (the "Anchor Investor Portion"). Further, not less than 15% of the Issue was made available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue was made available for allocation to RILs in accordance with the SEBI (ICDR) Regulations, 2018, subject to valid Bids having been received from them at or above the Issue Price. All potential Bidders (except Anchor Investors) were required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective bank account (including UPI ID for RILs using UPI Mechanism), in which the corresponding Bid Amounts were blocked by the SCSBs or the Sponsor Bank, as applicable. Anchor Investors were not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 240 of the Prospectus.

If the retail individual investor category is entitled to more than allocated portion on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage. For further details, please refer to chapter titled "Issue Structure" beginning on page no. 235 of the Prospectus.

All investors have participated in this issue through Application Supported by Blocked Amount ("ASBA") process including through Unified Payment Interface ("UPI") mode (as applicable) by providing the details of the respective bank accounts / UPI ID as applicable in which the corresponding application amounts were blocked by Self Certified Syndicate Banks (the "SCSBs") / Sponsor Bank as the case may be.

SUBSCRIPTION DETAILS

The Company received 6 Anchor Investor Application Forms from 6 Anchor Investors for 16,51,200 Equity Shares. Such 6 Anchor Investors were allocated 12,88,000 Equity Shares at a price of ₹ 79.00 per Equity Share under the Anchor Investor Portion, aggregating to ₹ 10,17,52,000.00.

DETAILS OF APPLICATIONS (BEFORE TECHNICAL REJECTION)

Category	Number of applications	Number of equity shares Bid for	Number of equity shares reserved as per Prospectus	Number of times subscribed (Valid Application* / Equity Shares reserved)
Qualified Institutional Buyers (excluding Anchor Portion)	51	9,14,32,000	8,59,200	106.42
Non-Institutional Bidders	13,126	23,80,92,800	6,44,800	367.24
Retail Individual Investors	1,31,107	20,97,71,200	15,04,000	136.52
Market Maker	1	8,52,800	8,52,800	1
Anchor Investors	6	16,51,200	12,88,000	1.28
Total	1,44,291	54,18,00,000	51,48,800	156.70

*DETAILS OF VALID APPLICATIONS:

Sr. No.	Category	Gross		Less: Valid Rejections		Valid	
		Applications	Equity Shares	Applications	Equity Shares	Applications	Equity Shares
1	Qualified Institutional Buyers (excluding Anchor Portion)	51	9,14,32,000	0	0	51	9,14,32,000
2	Retail Individual Investors	1,31,107	20,97,71,200	2,776	44,41,600	1,28,331	20,53,29,600
3	Non-Institutional Bidders	13,126	23,80,92,800	191	12,94,400	12,935	23,67,98,400
4	Market Maker	1	8,52,800	0	0	1	8,52,800
Total		1,44,291	54,01,48,800	2,967	57,36,000	1,41,318	53,44,12,800

ALLOCATION: The Basis of Allotment was finalized in consultation with the Designated Stock Exchange i.e. National Stock Exchange of India Limited on February 23, 2024.

Allocation to Market Maker (After Technical Rejections): The Basis of Allotment to the Market Maker, at the issue price of ₹ 79.00/- per Equity Share, was finalized in consultation with National Stock Exchange of India Limited. The category was subscribed by 1.00 time. The total number of shares allotted in this category is 8,52,800 Equity Shares in full out of reserved portion of 8,52,800 Equity Shares.

Allocation to Retail Individual Investors (After Technical Rejections): The Basis of Allotment to the Retail Individual Investors, at the issue price of ₹ 79.00/- per Equity Share, was finalized in consultation with National Stock Exchange of India Limited. The category was subscribed by 136.52 times. The total number of shares allotted in this category is 15,04,000 Equity Shares out of reserved portion of 15,04,000 Equity Shares.

No. of Shares Applied for (Category wise)	Number of applications received	% to total	Total No. of Shares Applied	% to total	No. of Equity Shares Allotted per Applicant	Ratio	Total No. of Shares Allotted	Surplus / Deficit
Retail Individual Investors	1,31,107	100.00	20,53,29,600	100.00	15,04,000	2.273	15,04,000	0

Allocation to Non-Retail Individual Investors (After Technical Rejections): The Basis of Allotment to the Non-Retail Individual Investors, at the issue price of ₹ 79.00/- per Equity Share, was finalized in consultation with National Stock Exchange of India Limited. The category was subscribed by 367.24 times. The total number of shares allotted in this category is 6,44,800 Equity Shares out of reserved portion of 6,44,800 Equity Shares.

No. of Shares Applied for (Category wise)	Number of applications received	% to total	Total No. of Shares applied in each category	% to total	Ration of allottees to applicants	Total No. of shares allocated/allotted	Surplus / Deficit	
3200	6447	49.84	20630400	8.71	5	921	56000	-176
4800	1266	9.79	6076800	2.57	5	633	16000	-547
6400	769	5.95	4921600	2.08	8	769	12800	-601
8000	443	3.42	3544000	1.50	6	443	9600	-50
9600	238	1.84	2284800	0.96	2	119	6400	179
11200	350	2.71	3920000	1.66	1	50	11200	526
12800	1132	8.75	14489600	6.12	18	815	40000	545
14400	236	1.82	3398400	1.44	3	118	9600	346
16000	537	4.15	8592000	3.63	5	179	24000	604
17600	111	0.86	1953600	0.83	1	37	4800	-520
19200	101	0.78	1939200	0.82	3	101	4800	-480
20800	38	0.29	790400	0.33	1	38	1600	-552
22400	48	0.37	1075200	0.45	1	24	3200	272
24000	163	1.26	3912000	1.65	7	163	11200	548
25600	86	0.66	2201600	0.93	2	43	6400	405
27200	32	0.25	870400	0.37	1	16	3200	830
28800	45	0.35	1296000	0.55	2	45	3200	-329
30400	28	0.22	851200	0.36	1	28	1600	-718
32000	116	0.90	3712000	1.57	3	58	9600	-508
33600	51	0.39	1713600	0.72	1	17	4800	134
35200	35	0.27	1232000	0.52	2	35	3200	-155
36800	22	0.17	809600	0.34	1	22	1600	-605
38400	16	0.12	614400	0.26	1	16	1600	-73
40000	63	0.49	2520000	1.06	4	63	6400	-462
41600	22	0.17	915200	0.39	1	11	3200	708
43200	9	0.07	388800	0.16	1	9	1600	541
44800	4	0.03	179200	0.08	0	0	0	-488
46400	6	0.05	278400	0.12	1	6	1600	842

48000	36	0.28	1728000	0.73	1	12	4800	95
49600	9	0.07	446400	0.19	1	9	1600	384
51200	18	0.14	921600	0.39	1	9	3200	690
52800	7	0.05	369600	0.16	1	7	1600	594
54400	14	0.11	761600	0.32	1	14	1600	-474
56000	14	0.11	784000	0.33	1	14	1600	-535
57600	14	0.11	806400	0.34	1	14	1600	-596
59200	4	0.03	236800	0.10	0	0	0	-645
60800	2	0.02	121600	0.05	0	0	0	-331
62400	14	0.11	873600	0.37	1	7	3200	821
64000	29	0.22	1856000	0.78	3	29	4800	-254
65600	4	0.03	262400	0.11	0	0	0	-715
67200	3	0.02	201600	0.09	0	0	0	-549
68800	8	0.06	550400	0.23	1	8	1600	101
70400	2	0.02	140800	0.06	0	0	0	-383
72000	12	0.09	864000	0.36	1	6	3200	847
73600	3	0.02	220800	0.09	0	0	0	-601
75200	2	0.02	150400	0.06	0	0	0	-410
76800	1	0.01	76800	0.03	0	0	0	-209
78400	1	0.01	78400	0.03	0	0	0	-213
80000	21	0.16	1680000	0.71	1	7	4800	225
81600	1	0.01	81600	0.03	0	0	0	-222
83200	1	0.01	83200	0.04	0	0	0	-227
84800	3	0.02	254400	0.11	0	0	0	-693
86400	1	0.01	86400	0.04	0	0	0	-235
88000	1	0.01	88000	0.04	0	0	0	-240
89600	1	0.01	89600	0.04	0	0	0	-244
91200	2	0.02	182400	0.08	0	0	0	-497
92800	2	0.02	185600	0.08	0	0	0	-505
94400	8	0.06	768000	0.32	1	8	1600	-491
96000	1	0.01	96000	0.04	0	0	0	-266
97600	2	0.02	198400	0.08	0	0	0	-540
99200	4	0.03	403200	0.17	1	4	1600	502
100800	1	0.01	102400	0.04	0	0	0	-279
102400	2	0.02	208000	0.09	0	0	0	-566
104000	2	0.02	214400	0.09	0	0	0	-584
105600	7	0.05	761600	0.32	1	7	1600	-474
107200	1	0.01	110400	0.05	0	0	0	-301
108800	5	0.04	560000	0.24	1	5	1600	75
110400	2	0.02	227200	0.10	0	0	0	-619
112000	1	0.01	115200	0.05	0	0	0	-314
113600	3	0.02	350400	0.15	1	3	1600	646
115200	4	0.03	473600	0.20	1	4	1600	310
116800	4	0.03	480000	0.20	1	4	1600	293
118400	2	0.02	243200	0.10	0	0	0	-662
120000	1	0.01	124800	0.05	0	0	0	-340
121600	17	0.13	2148800	0.91	4	17	6400	549
123200	11	0.09	1480000	0.59	2	11	3200	-634
124800	1	0.01	129600	0.05	0	0	0	-353
126400	2	0.02	262400	0.11	0	0	0	-715
128000	1	0.01	136000	0.06	0	0	0	-370
129600	2	0.02	278400	0.12	1	2	1600	842
131200	9	0.07	1296000	0.55	2	9	3200	-329
132800	1	0.01	145600	0.06	0	0	0	-396
134400	4	0.03	588800	0.25	1	4	1600	-3
136000	1	0.01	152000	0.06	0	0	0	-414
137600	2	0.02	310400	0.13	1	2	1600	755
139200								