



ADVANCED ENZYME TECHNOLOGIES LIMITED

Our Company was incorporated as a private limited company on March 15, 1989 under the provisions of the Companies Act, 1956 as Advanced Biochemicals Private Limited in Maharashtra. Pursuant to a special resolution passed by the shareholders of our Company at the extra-ordinary general meeting held on April 21, 1992, our Company was converted into a public limited company and consequently the name of our Company was changed to Advanced Biochemicals Limited. A fresh certificate of change of name reflecting the new name was issued by the Registrar of Companies, Maharashtra on May 28, 1992. Pursuant to a special resolution passed by the shareholders of our Company at the extra-ordinary general meeting held on August 8, 2005, the name of our Company was further changed from Advanced Biochemicals Limited to Advanced Enzyme Technologies Limited. A fresh certificate of incorporation reflecting the new name was issued by the Registrar of Companies, Maharashtra, Mumbai on August 19, 2005. For details of changes in the name and the registered office of our Company, see the chapter titled "History and Certain Corporate Matters" beginning on page 188.

Registered Office & Corporate Office: Sun Magnetica, 5th Floor, Near LIC Service Road, Louiswadi, Thane – 400604, Maharashtra, India

Tel: +91-22-4170 3200 **Fax:** +91-22-25835159

Contact Person: Mr. Prabal Boriya, Company Secretary and Compliance Officer,

E-mail: prabal@advancedenzymes.com **Website:** www.advancedenzymes.com

Corporate Identification Number: U24200MH1989PLC051018

PROMOTERS OF OUR COMPANY: MR. VASANT LAXMINARAYAN RATHI AND MR. CHANDRAKANT LAXMINARAYAN RATHI

INITIAL PUBLIC OFFER OF UPTO [•] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF ADVANCED ENZYME TECHNOLOGIES LIMITED (OUR "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE) AGGREGATING UPTO ₹ [•] MILLION (THE "OFFER") CONSISTING OF A FRESH ISSUE OF [•] EQUITY SHARES AGGREGATING UPTO ₹ 500 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF, UPTO 4,00,000 EQUITY SHARES BY CHANDRAKANT RATHI INNOVATIONS AND PROJECTS PRIVATE LIMITED, UPTO 50,000 EQUITY SHARES BY KISHOR LAXMINARAYAN RATHI, UPTO 30,000 EQUITY SHARES BY MANGALA MADHUSUDAN KABRA, UPTO 17,00,000 EQUITY SHARES BY VASANT LAXMINARAYAN RATHI, UPTO 5,00,000 EQUITY SHARES BY THE VASANT AND PRABHA RATHI GENERATION TRUST, (COLLECTIVELY THE "PROMOTER GROUP SELLING SHAREHOLDERS") AND UPTO 17,900 EQUITY SHARES BY KOTAK EMPLOYEES INVESTMENT TRUST, UPTO 1,62,700 EQUITY SHARES BY KOTAK INDIA VENTURE FUND I AND UPTO 3,36,600 EQUITY SHARES BY KOTAK INDIA VENTURE (OFFSHORE) FUND (COLLECTIVELY THE "INVESTOR SELLING SHAREHOLDERS") AND UPTO 447,270 EQUITY SHARES BY PERSONS LISTED IN ANNEXURE 'A' (COLLECTIVELY THE "OTHER SELLING SHAREHOLDERS-I") AND UPTO 40,000 EQUITY SHARES BY MUKUND MADHUSUDAN KABRA, UPTO 3,50,000 EQUITY SHARES BY PRADIP BHAILAL SHAH (COLLECTIVELY THE "OTHER SELLING SHAREHOLDERS-II") AGGREGATING UPTO ₹ [•] MILLION ("OFFER FOR SALE"), AND TOGETHER WITH THE FRESH ISSUE (THE "OFFER"). THE OFFER COMPRISES A NET OFFER TO THE PUBLIC OF [•] EQUITY SHARES (THE "NET OFFER") AND RESERVATION OF [•] EQUITY SHARES AGGREGATING UPTO ₹ 20 MILLION FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (AS DEFINED HEREIN) NOT EXCEEDING 5% OF OUR POST-OFFER PAID-UP EQUITY SHARES CAPITAL (THE "EMPLOYEE RESERVATION PORTION"). THE OFFER WOULD CONSTITUTE [•]% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL AND THE NET OFFER TO THE PUBLIC WOULD CONSTITUTE [•]% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL. OUR COMPANY MAY, IN CONSULTATION WITH THE SELLING SHAREHOLDERS AND THE BOOK RUNNING LEAD MANAGERS ("BRLMS"), OFFER A DISCOUNT OF UPTO [•]% (EQUIVALENT TO ₹ [•] MILLION) ON THE OFFER PRICE TO RETAIL INDIVIDUAL BIDDERS ("RETAIL DISCOUNT") AND A DISCOUNT OF UPTO [•]% (EQUIVALENT TO ₹ [•] MILLION) ON THE OFFER PRICE TO ELIGIBLE EMPLOYEES ("EMPLOYEE DISCOUNT"). THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH. THE PRICE BAND, RETAIL DISCOUNT, THE EMPLOYEE DISCOUNT AND THE MINIMUM BID LOT WILL BE DECIDED BY THE COMPANY IN CONSULTATION WITH THE SELLING SHAREHOLDERS AND THE BRLMS AND WILL BE ADVERTISED IN ALL EDITIONS OF FINANCIAL EXPRESS, ALL EDITIONS OF JANSATTA AND MUMBAI EDITION OF NAVSHAKTI WHICH ARE WIDELY CIRCULATED IN ENGLISH, HINDI AND MARATHI NEWSPAPERS, RESPECTIVELY (MARATHI BEING THE LOCAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED OFFICE IS LOCATED) AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE") AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE.

In case of any revisions to the Price Band, the Bid/Offer Period will be extended by at least 3 additional Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding ten Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"), by issuing a press release, and also by indicating the change on the website of the BRLMs and the terminals of the Syndicate Members and by intimation to Self Certified Syndicate Banks ("SCSBs") and the Registered Brokers.

Pursuant to Rule 19(2)(b)(ii) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR"), the Equity Shares issued in this Offer shall aggregate to at least such percentage of the post-Offer Equity Share capital of our Company, calculated at the Offer Price, that will be equivalent to at least ₹ 4,000 million and the post-Offer capital of our Company at the Offer Price is more than ₹ 16,000 million but less than or equal to ₹ 40,000 million. In the event the post-Offer Equity Share capital of our Company calculated at the Offer Price is less than or equal to ₹ 16,000 million, the Offer will be deemed to be undertaken in terms of Rule 19(2)(b)(i) of the SCRR. The Offer is being made through the Book Building Process in compliance with Regulation 26(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI Regulations"), wherein 50% of the Offer shall be allocated on a proportionate basis to qualified institutional buyers ("QIBs") (the "QIB Portion"), provided that our Company, in consultation with the Selling Shareholders and BRLMs may allocate upto 60% of the QIB Portion to Anchor Investors ("Anchor Investor Portion") on a discretionary basis, out of which at least one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Offer Price. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders, subject to valid Bids being received at or above the Offer Price. All potential Bidders, other than Anchor Investors, are mandatorily required to participate in this Offer through an Application Supported by Blocked Amount ("ASBA") process providing details of their respective bank accounts which will be blocked by the Self Certified Syndicate Banks ("SCSBs"). Anchor Investors are not permitted to participate in this Offer through the ASBA process. For details, see chapter titled "Offer Procedure" beginning on page 384.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each and the Floor Price is [•] times the face value and the Cap Price is [•] times the face value. The Offer Price (determined and justified by our Company, in consultation with the Selling Shareholders and the BRLMs and as stated under the chapter "Basis for Offer Price" beginning on page 123) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares offered in the Offer 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 contents of this Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 19 of this Red Herring Prospectus.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission or inclusion of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each Selling Shareholder (except Promoter Group Selling Shareholders) accepts responsibility severally and not jointly only for statements, made expressly by it in this Red Herring Prospectus in relation to itself in connection with the Offer for Sale and the Equity Shares offered by it in the Offer for Sale. Each Selling Shareholder (except Promoter Group Selling Shareholders) assumes no responsibility for any other statement, including, inter-alia, any of the statements made by or in relation to the Company. Other Selling Shareholders or their respective businesses in this Red Herring Prospectus. Each Promoter Group Selling Shareholder accepts responsibility severally and not jointly for statements, made expressly by it in this Red Herring Prospectus in relation to itself in connection with the Offer for Sale and the Equity Shares offered by it in the Offer for Sale or in connection with the Issue (including but not limited to any of the statements made by or relating to the Company in this Red Herring Prospectus), and does not accept responsibility for any statements made by the Investor Selling Shareholders and the Other Selling Shareholders.

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the BSE and the NSE. Our Company has received an 'in-principle' approval from the BSE and the NSE for the listing of the Equity Shares pursuant to the letters dated February 29, 2016 and February 11, 2016, respectively. For the purposes of the Offer, the Designated Stock Exchange shall be BSE. A copy of this Red Herring Prospectus and the Prospectus shall be delivered for registration to the Registrar of Companies, Maharashtra, Mumbai ("RoC") in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of this Red Herring Prospectus upto the Bid/Offer Closing Date, see the section titled "Material Contracts and Documents for Inspection" beginning on page 501.

BOOK RUNNING LEAD MANAGERS

REGISTRAR TO THE OFFER

ICICI Securities Limited ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai – 400 020 Tel: +91 22 2288 2460 Fax: +91 22 2282 6580 Email: aetl.ipo@icicisecurities.com Investor Grievance Email: customercare@icicisecurities.com Website: www.icicisecurities.com Contact Person: Ms. Payal Kulkarni / Mr. Vishal Kanjani SEBI Registration No: INM000011179	Axis Capital Limited 1st Floor, Axis House, C-2 Wadia International Centre, P.B Marg, Worli, Mumbai - 400 025 Tel : +91 22 43252183 Fax: +91 22 43253000 Email: aetl@axiscap.in Investor Grievance Email: complaints@axiscap.in Website: www.axiscapital.co.in Contact Person: Ms. Simran Gadh SEBI Registration No: INM000012029	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound L.B.S. Marg, Bhandup (West), Mumbai 400 078 Tel: (+91 22) 6171 5400 Fax: (+91 22) 2596 0329 Email: aetl.ipo@linkintime.co.in Investor Grievance E-mail: aetl.ipo@linkintime.co.in Website: www.linkintime.co.in Contact Person: Ms. Shanti Gopalkrishnan SEBI Registration Number: INR000004058

BID/ OFFER PROGRAMME

FOR ALL BIDDERS:	OFFER OPENS ON*: July 20, 2016
FOR ALL BIDDERS:	OFFER CLOSES ON: July 22, 2016

*Our Company, in consultation with the Selling Shareholders and the BRLMs, consider participation by Anchor Investors. The Anchor Investor shall bid on the Anchor Investor Bidding Date i.e. one Working Day prior to the Bid / Offer Opening Date.

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SECTION I – DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, requires or implies, the following terms shall have the following meanings in this RHP. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

Term	Description
“Advanced Enzyme Technologies Limited”, “our Company”, “the Company”, “the Issuer Company”, and “the Issuer”	Unless the context otherwise requires, refers to Advanced Enzyme Technologies Limited, a public limited company incorporated under the Companies Act, 1956 vide a Certificate of Incorporation issued by the Registrar of Companies, Maharashtra, Mumbai and having its registered office at Sun Magnetica, 5 th Floor, Near LIC Service Road, Louis Wadi, Thane-400 604, Maharashtra, India.
“We”, “our”, “us” or “Group”	Unless the context otherwise indicates or implies, refers to our Company together with its Subsidiaries.

COMPANY/ ISSUER RELATED TERMS

Term	Description
Articles/ Articles of Association	The Articles of Association of Advanced Enzyme Technologies Limited, as amended from time to time.
AST Enzymes	Advanced Supplementary Technologies Corporation
Audit Committee	The Audit Committee as reconstituted vide the Board meeting held on November 28, 2015.
Auditors or Statutory Auditors	Walker Chandio & Co LLP.
Board/Board of Directors/ our Board	The Board of Directors of Advanced Enzyme Technologies Limited unless otherwise specified or any committee constituted thereof.
Cal-India	Cal-India Foods International (Specialty Enzymes & Biotechnologies).
Consent Letters	Consents received vide Promoter Group Selling Shareholders Transmittal Letters, Investor Selling Shareholders Consent Letters, Other Selling Shareholders – I Transmittal Letters and Other Selling Shareholders – II Consent Letters confirming their respective participation in the Offer as Selling Shareholders.
Group Companies	Atharva Green Ecotech LLP (formerly known as Atharva Capital Ventures Private Limited and thereafter as Atharva Green Ecotech Private Limited), Advanced Vital Enzymes Private Limited, Chandrakant Rathi Innovations and Projects Private Limited (formerly known as Chandrakant Rathi Finance and Investment Company Private Limited), Atharva Clean Energy Private Limited, Rathi Property LLC, Silverttech Trading Company Private Limited, Om Manufacturing Jalna Private Limited, Pranoo Financial Services Private Limited, Manoo Finance and Investment Private Limited, Indergiri Securities Private Limited, Indergiri Finance Limited, Indergiri Shares and Stock Brokers Private Limited.
ESOP 2002	Employee Stock Option Scheme instituted by our Company pursuant to resolutions dated May 7, 2002 and June 4, 2002 passed by our Board and Shareholders, respectively.
ESOS 2015	Advanced Enzyme Technologies Limited - Employee Stock Option Scheme 2015 instituted by our Company pursuant to resolutions dated November 28, 2015 and December 23, 2015 passed by our Board and Shareholders, respectively.
ESOP/ ESOS Schemes	ESOP 2002 and ESOS 2015.
Investor Selling Shareholders	1. Kotak India Venture (Offshore) Fund 2. Kotak India Venture Fund I 3. Kotak Employees Investment Trust
Investor Selling Shareholders Offered Shares	Upto 517,200 Equity Shares being offered for sale by Investor Selling Shareholders comprising of upto 17,900 Equity Shares offered by Kotak Employees Investment Trust, upto 1,62,700 Equity Shares offered by Kotak India Venture Fund I and upto 3,36,600 Equity Shares offered by Kotak India Venture (Offshore) Fund.

Investor Selling Shareholders Consent Letters	Letters dated January 18, 2016 granting consent for offering Investor Selling Shareholders Offered Shares as part of the Offer Sale in the Offer.
IPO Committee	The IPO committee constituted by our Board on August 11, 2012. The IPO committee was reconstituted on September 1, 2015.
ISIN	International Securities Identification Number. In this case being: INE837H01012
Key Managerial Personnel (KMP)	Key managerial personnel of our Company in terms of Regulation 2 (1) (s) of the SEBI Regulations and as disclosed in the chapter titled “Our Management” beginning on page 198 of this RHP.
LLC	Limited Liability Company.
MOA/ Memorandum/ Memorandum of Association	The Memorandum of Association of Advanced Enzyme Technologies Limited as amended from time to time.
Nomination and Remuneration Committee	The Nomination and Remuneration Committee was re-constituted on June 9, 2014.
Offered Shares	Promoter Selling Shareholders Offered Shares, Investor Selling Shareholders Offered Shares, Other Selling Shareholders - I Offered Shares and Other Selling Shareholders - II Offered Shares
Other Selling Shareholders	Other Selling Shareholders shall mean Other Selling Shareholders –I and Other Selling Shareholders –II.
Other Selling Shareholders -I	Other Selling Shareholders -I as enumerated in Annexure A.
Other Selling Shareholders -II	Other Selling Shareholders -II shall mean Mr. Mukund Madhusudan Kabra and Mr. Pradip Bhailal Shah.
Other Selling Shareholders – I Consent Letters	Letters granting consent for offering Other Selling Shareholders – I Offered Shares as enumerated in Annexure A.
Other Selling Shareholders – I Offered Shares	Upto 447,270 equity shares being offered for sale by Other Selling Shareholders – I.
Other Selling Shareholders –II Offered Shares	Upto 390,000 equity shares being offered for sale by Other Selling Shareholders –II.
Other Selling Shareholders – II Transmittal Letters	Letter dated January 11, 2016 of Mr. Mukund Madhusudan Kabra and Letter dated December 23, 2015 of Mr. Pradip Bhailal Shah granting consent for offering their respective Other Selling Shareholders – II Offered Shares.
Person or Persons	Any Individual, Sole Proprietorship, Unincorporated Association, Unincorporated Organization, Body Corporate, Corporation, Company, Partnership Firm, Limited Liability Partnership Firm, Joint Venture, or Trust or any other Entity or Organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoter(s)	Unless the context otherwise requires, refers to Mr. Chandrakant Laxminarayan Rathi and Mr. Vasant Laxminarayan Rathi.
Promoter Group	Individuals, Companies and entities forming part of our Promoter Group as per clause 2(1)(zb) the SEBI Regulations. For details please see chapter titled “Our Promoters and Promoter Group” beginning on page 217 of this RHP.
Promoter Group Selling Shareholders	1. Chandrakant Rathi Innovations and Projects Private Limited; 2. Kishor Laxminarayan Rathi; 3. Mangala Madhusudan Kabra; 4. Vasant Laxminarayan Rathi; and 5. Vasant and Prabha Rathi Generation Trust.
Promoter Group Selling Shareholders Offered Shares	Upto 2,680,000 equity shares being offered for sale by Promoter Group Selling Shareholders
Promoter Group Selling Shareholders Transmittal Letters	Letters dated January 11, 2016 granting consent for offering Promoter Group Selling Shareholders Offered Shares and amendment letter from Mr. Kishor Laxminarayan Rathi dated May 16, 2016.

Registrar of Companies/ RoC	Office of Registrar of Companies, Maharashtra, Mumbai.
Registered Office/Corporate Office	Sun Magnetica, 5 th Floor, Near LIC Service Road, Louis Wadi, Thane-400 604, Maharashtra.
Selling Shareholders	Promoter Group Selling Shareholders, the Investor Selling Shareholders and Other Selling Shareholders.

CONVENTIONAL/GENERALTERMS

Term	Description
Act/ Companies Act	The Companies Act, 1956, as amended from time to time and/ or the Companies Act, 2013, with the amendments thereto to the extent applicable.
Category II Foreign Portfolio Investors	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III Foreign Portfolio Investors	FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations
Companies Act, 1956	The Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Depository/ Depositories	A body corporate registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository Participant/ DP	A Depository Participant as defined under the Depositories Act, 1996.
Equity Shares	The Equity Shares of face value of ₹ 10/- each of Advanced Enzyme Technologies Limited.
Indian GAAP	Generally Accepted Accounting Principles in India.
Non Resident	A person resident outside India, as defined under FEMA Regulations, including an Eligible NRI and an FII.
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect.
NRI/ Non-Resident Indian	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin as defined under FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Quarter	A period of 3 (three) continuous months.
RBI Act	The Reserve Bank of India Act, 1934.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992 as amended from time to time.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investments Funds) Regulations, 2012, as amended from time to time.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
SEBI (LODR) Regulations, 2015	Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015.
SEBI Regulations	Means the regulations for Issue of Capital and Disclosure Requirements issued by Securities and Exchange Board of India, constituted in exercise of powers conferred by Section 30 of the Securities and Exchange Board of India Act, 1992 (as amended), called Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.

Term	Description
SEBI SBEB Regulations	Securities and Exchange Board Of India (Share Based Employee Benefits) Regulations, 2014.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended from time to time.
Shareholders	Shareholders of our Company unless otherwise specified.
Stakeholders' Relationship Committee	Shareholders/Investor Grievance Committee constituted by our Board of directors as on February 2, 2013. Further, the Shareholders/Investor Grievance Committee was renamed as Stakeholders' Relationship Committee in the Board Meeting held on November 28, 2015.
Stock Exchanges	BSE Limited and the National Stock Exchange of India Limited, referred to as collectively.
Wilful Defaulter	Wilful Defaulter as defined under Section 2 (1)(zn) of the SEBI Regulations

OFFER RELATED TERMS

Term	Description
“Allot” or “Allotment” or “Allotted”	Unless the context otherwise requires, the allotment of Equity Shares pursuant to the Fresh Issue and transfer of the Equity Shares offered by the Selling Shareholders pursuant to the Offer for Sale to successful Bidders.
Allotment Advice	Note or advice or intimation of Allotment sent to each successful Bidder after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom Allotment is made.
Anchor Investor(s)	A QIB, applying under the Anchor Investor Portion, who has Bid for an amount of at least ₹ 100 Million.
Anchor Investor Allocation Notice	Notice or intimation of allocation of Equity Shares sent to Anchor Investors who have been allocated Equity Shares, and includes any device, intimation or notice sent to Anchor Investors in the event that the Offer Price is higher than the Anchor Investor Allocation Price.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated in terms of this Red Herring Prospectus and Prospectus to the Anchor Investors, which will be decided by our Company, in consultation with the Selling Shareholders and the BRLMs, on the Anchor Investor Bidding Date.
Anchor Investor Application Form	The form used by an Anchor investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for allotment in terms of this Red Herring Prospectus and Prospectus.
Anchor Investor Bidding Date	One Working Day prior to the Bid/Offer Opening Date on which Bids by Anchor Investors shall be submitted, prior to or after which the members of the Syndicate will not accept any Bids from Anchor Investors and allocation to Anchor Investors shall be completed.
Anchor Investor Escrow Account(s)	Accounts opened for the Offer to which funds shall be transferred by Anchor Investors.
Anchor Investor Offer Price	The final price at which Allotment will be made to Anchor Investors in terms of this Red Herring Prospectus and Prospectus, which shall be higher than or equal to the Offer Price.
Anchor Investor Pay-in Date	With respect to Anchor Investors, it shall be the Anchor Investor Bidding Date, and, in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/Offer Closing Date.
Anchor Investor Portion	Upto 60% of the QIB Portion, which may be allocated by our Company, in consultation with the BRLMs and Selling Shareholders, to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
“ASBA” or “Application	The application (whether physical or electronic) used by an ASBA Bidder to make a Bid

Term	Description
Supported by Blocked Amount”	authorizing an SCSB to block the Payment Amount in the specified bank account maintained with such SCSB.
ASBA Account	Account maintained with an SCSB which will be blocked by such SCSB to the extent of the Payment Amount specified by an ASBA Bidder.
ASBA Bidder	Any Bidder, other than Anchor Investors, in the Offer who Bids through ASBA.
ASBA Form	The application form, whether physical or electronic, by which an ASBA Bidder can make a Bid, authorising an SCSB to block the Payment Amount in the ASBA Account maintained with such SCSB pursuant to the terms of this Red Herring Prospectus.
Axis Capital	Axis Capital Limited.
Bankers to the Company	Banks who have extended credit facilities to our Company i.e. HDFC Bank Limited, DBS Bank Limited, Citibank, N.A. and Kotak Mahindra Bank Limited.
Bankers to the Offer/Anchor Escrow Bank	The banks which are Clearing Members and registered with SEBI as Banker to an issue with whom the Anchor Investor Escrow Account(s), will be opened and in this case being ICICI Bank Limited and Axis Bank Limited
Basis of Allotment	The basis on which the Equity Shares will be allotted as described in chapter titled “Offer Procedure” beginning on page 384.
Bid	An indication to make an offer during the Bidding/Offer Period by a Bidder (other than an Anchor Investor) or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of an ASBA Form or an Anchor Investor Application Form, as the case may be, to subscribe for Equity Shares, at a price within the Price Band, including all revisions and modifications thereto.
Bidder(s)	A prospective investor in the Offer, and unless otherwise stated or implied, includes an ASBA Bidders and Anchor Investor.
Bidding	The process of making a Bid.
Bid Amount	In relation to each Bid shall mean the highest value of optional Bids indicated in the Bid cum Application Form blocked in the ASBA Account upon submission of the Bid, which shall be net of Employee Discount and Retail Discount for Eligible Employees and Retail Individual Bidders, as applicable. However for Eligible Employees applying in the Employee Reservation Portion and the Retail Individual Bidders applying at the Cut-Off, the Bid Amount shall be Cap Price multiplied by the number of Equity Shares Bid for by such Eligible Employees / Retail Individual Bidders and mentioned in the Bid cum Application Form net of Employee Discount / Retail Discount, as the case may be.
Bidding Centres	Centres for acceptance of the Bid-cum-Application Forms and Revision Forms which shall include Broker Centres.
Bid-cum-Application Form	The ASBA Form or the Anchor Investor Application Form, where the context so requires, in terms of which a Bidder makes a Bid in terms of this Red Herring Prospectus which will be considered as an application for Allotment.
Bid/Offer Closing Date	Except in relation to Anchor Investors, the date after which the Syndicate, the SCSBs and the Registered Brokers will not accept any Bids, and which shall be notified in an English national daily newspaper, a Hindi national daily newspaper and a Marathi daily newspaper, each with wide circulation and in case of any revision, the extended Bid/Offer Closing Date shall also be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI Regulations. Further, our Company may, in consultation with the Selling Shareholders and the BRLMs, decide to close Bidding by QIBs one Working Day prior to the Bid/Offer Closing Date.
Bid/Offer Opening Date	Except in relation to Anchor Investors, the date on which the Syndicate, the SCSBs and the Registered Brokers shall start accepting Bids, and which shall be the date notified in an English national daily newspaper, a Hindi national daily newspaper and a Marathi daily newspaper, each with wide circulation.
Bidding/Offer Period	The period between the Bid/Offer Opening Date and the Bid/Offer Closing Date or the QIB Bid/Offer Closing Date, as the case may be (in either case inclusive of such date and the Bid/Offer Opening Date) during which Bidders, other than Anchor Investors, can submit their Bids. Provided however that the Bidding/Offer Period shall be kept open for

Term	Description
	a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.
Bid Lot	[●]
Book Building Process/ Method	The book building process as described in Part A of Schedule XI of the SEBI Regulations.
BRLMs	Book Running Lead Managers to the Offer, being I-Sec and Axis Capital.
Broker Centres	Broker centres notified by the Stock Exchanges where Bidders can submit the Bid cum Application Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective website of the Stock Exchanges.
BSE	BSE Limited.
Cap Price	The higher end of the Price Band, in this case being ₹ [●], and any revisions thereof, above which the Offer Price will not be finalised and above which no Bids will be accepted.
Collecting Depository Participants/CDPs	A depository participant registered under Section 12 (1A) of the SEBI Act and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
CAN or “Confirmation of Allocation Note”	Confirmation of Allotment Note shall mean the note or advice or intimation of Equity Shares sent to the Anchor Investors to whom Equity Shares have been allocated, after the Anchor Investor Bidding Date.
Cash Escrow Agreement	Agreement dated July 9, 2016 between our Company, the Selling Shareholders, the Registrar to the Offer, Anchor Escrow Banks and the BRLMs.
Collecting RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Consolidated Financial Information, as restated	Restated consolidated financial statements of assets and liabilities as of and for March 31, 2016, 2015, 2014, 2013, and 2012, and statement of profit and loss and cash flows for each of the years ended March 31, 2016, 2015, 2014, 2013, and 2012 for our Group.
Controlling Branches	Such branches of the SCSBs which co-ordinate Bids under the Offer by the ASBA Bidders with the Registrar to the Offer and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other websites as may be prescribed by SEBI from time to time.
Cut-Off Price	Any price within the Price Band determined by our Company in consultation with the Selling Shareholders and the BRLMs as the Offer Price, at which only the Retail Individual Bidders and Eligible Employees are entitled to Bid for Equity Shares at a Payment Amount not exceeding ₹ 200,000.
Demographic Details	The address, PAN, the bank account details, MICR code and occupation of a Bidder.
Depository	A depository registered with SEBI under the Depositories Act.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
“Depository Participant” or “DP”	A depository participant registered with SEBI under the Depositories Act.
Designated Branches	Such branches of the SCSBs with which an ASBA Bidder, not Bidding through Syndicate/ Sub Syndicate or through a Registered Broker, may submit the Bid cum Application Forms, a list of which is available on the website of the SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other websites as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which the funds blocked by the SCSBs are transferred from the ASBA Accounts specified by the ASBA Bidders to the Public Offer Account.
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the

Term	Description
	RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
“Designated Stock Exchange” or “DSE”	BSE.
“DRHP” or “Draft Red Herring Prospectus”	The DRHP dated January 18, 2016 filed with SEBI, prepared and issued by our Company in accordance with the SEBI Regulations.
EBITDA	Revenue from operations (net) less total expenses (expenses other than finance cost, and depreciation and amortisation).
EBITDA Margin	EBITDA divided by revenue from operations (net).
Eligible Employee	All or any of the following: (a) permanent and full time employee of our Company or of Subsidiaries, (excluding such employees who are not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines and the Promoters and their immediate relatives) as of the date of filing of this Red Herring Prospectus with the RoC and who continues to be an employee of our Company or a Subsidiary, as the case may be, until the submission of the Bid cum Application Form and is based, working in India as on the date of submission of the Bid cum Application Form; and (b) a Director of our Company, whether a whole time Director or otherwise, (excluding such Directors not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines and the Promoters and their immediate relatives) as of the date of filing this Red Herring Prospectus with the RoC and who continues to be a Director of our Company until the submission of the Bid cum Application Form and is based in India as on the date of submission of the Bid cum Application Form. (c) An employee of our Company or of Subsidiaries, who is recruited against a regular vacancy but is on probation as on the date of submission of the Bid cum Application Form will also be deemed a ‘permanent and a full time employee’. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹200,000.
Employee Discount	Discount of [●] % of the Offer Price, amounting to ₹ [●] per Equity Share, that may be given to the Eligible Employees.
Eligible NRI	An NRI from such a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom this Red Herring Prospectus constitutes an invitation to bid on the basis of the terms thereof.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom this Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Employee Reservation Portion	Reservation of [●] Equity Shares, available for allocation to Eligible Employees on a proportionate basis aggregating upto ₹ 20 million.
Equity Shares or Ordinary Shares	The ordinary shares of our Company having a face value of ₹ 10/-, unless otherwise specified in the context thereof.
First Bidder	The Bidder whose name appears first in the Bid-cum-Application Form or Revision Form or the ASBA Form or the ASBA Revision Form.
Floor Price	The lower end of the Price Band below which no Bids will be accepted, in this case being ₹ [●], and any revisions thereof.
Fresh Issue	Fresh issue of upto [●] Equity Shares by our Company aggregating upto ₹500 million, in the Offer.
General Information Document (GID)	General Information Document prepared and issued in accordance with the Circular (CIR/CFD/DIL/12/13) dated October 23, 2013 notified by SEBI.
I-Sec	ICICI Securities Limited.
Offer/ Offer Size/ Public Offer	Public issue of [●] equity shares of ₹ 10/- each of the Company for cash at a price of ₹ [●] per equity share (including a premium of ₹ [●] per equity share) aggregating upto ₹ [●]

Term	Description
	Million (the “ Offer ”) comprising of a fresh issue of [●] equity shares by our Company aggregating upto ₹ 500 million (the “ Fresh Issue ”) and an offer for sale of upto 4,034,470 Equity Shares by the Selling Shareholders aggregating upto ₹ [●] Million (the “ Offer for Sale ”). The Offer comprises a reservation of upto [●] Equity Shares aggregating upto ₹ 20 Million for subscription by Eligible Employees (as defined herein) (the “ Employee Reservation Portion ”).
Offer Agreement	The agreement entered into on January 18, 2016 among our Company, Selling Shareholders and the BRLMs, as amended.
Offer Price	The price at which Allotment will be made, as determined by our Company in consultation with the Selling Shareholders and the BRLMs. Unless otherwise stated or the context otherwise implies, the term Offer Price refers to the Offer Price applicable to investors other than Anchor Investors, and with respect to Eligible Employees, shall mean the Offer Price net of the Retail Discount and Employee Discount, respectively.
Offer Proceeds	The proceeds of the Offer. For further information about use of the Offer Proceeds kindly refer to the chapter titled “ <i>Objects of the Offer</i> ” beginning on page 117 of this RHP.
Listing Agreements	Listing agreement to be entered into by our Company with each of the Stock Exchanges.
Mutual Fund Portion	5% of the Net QIB Portion or [●] Equity Shares available for allocation to Mutual Funds only.
Net Proceeds	Proceeds from the Fresh Issue after deduction of Offer expenses.
Net Offer	The Offer less the Employee Reservation Portion.
Net QIB Portion	The QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Non-Institutional Bidders	All Bidders (including Sub-Accounts of FIIs which are foreign corporates or foreign individuals but not including NRIs, other than Eligible NRIs) that are not QIBs or Retail Individual Bidders or Eligible Employees Bidding under the Employee Reservation Portion, who have Bid for an amount more than ₹ 200,000.
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Net Offer consisting of [●] Equity Shares, available for allocation to Non-Institutional Bidders, on a proportionate basis.
NSE	National Stock Exchange of India Limited
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trust in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Deposit) Regulations, 2000. OCB are not allowed to invest in this Offer.
Offer for Sale	The offer for sale of upto 4,034,470 Equity Shares by the Selling Shareholders aggregating upto ₹ [●] million, pursuant to the terms of this RHP.
Pay-in Period	The period commencing on the Bid/Offer Opening Date and extending until the closure of the Anchor Investor Pay-in Date.
Payment Amount	In the case of QIBs and Non-Institutional Bidders, the Bid Amount, and in case of Retail Individual Bidders/Eligible Employees, the Bid Amount less the Retail Discount/Employee Discount, as the case may be.
Price Band	The price band as determined by our Company, in consultation with the Selling Shareholders and the BRLMs with minimum price being the Floor Price and the maximum price being the Cap Price, including any revisions thereof and advertised in an English national daily newspaper, a Hindi national daily newspaper and a Marathi daily newspaper, each with wide circulation in the place where our Registered Office is situated, at least five Working Days prior to the Bid/Offer Opening Date.
Pricing Date	The date on which the Offer Price is decided by our Company, in consultation with the Selling Shareholders and the BRLMs.
Prospectus	The Prospectus to be filed with the Register of Companies after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI Regulations containing, inter alia, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
Public Offer Account	The bank account opened with the Public Offer Account Banks by our Company under

Term	Description
	Section 40 of the Companies Act, 2013, to receive money from the ASBA Accounts and from the Escrow Accounts, in case of Anchor Investor(s), on the Designated Date.
Public Offer Account Banks	The banks which are clearing members and registered with SEBI under the SEBI (Bankers to an Offer) Regulations, 1994 with whom the Public Offer Account(s) will be opened and in this case being ICICI Bank Limited and Axis Bank Limited.
“QFIs” or “Qualified Foreign Investors”	Non-resident investors, other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs, who meet ‘know your client’ requirements prescribed by SEBI and are resident in a country which is (i) a member of Financial Action Task Force or a member of a group which is a member of Financial Action Task Force; and (ii) a signatory to the International Organization of Securities Commission’s Multilateral Memorandum of Understanding or a signatory of a bilateral memorandum of understanding with SEBI. Provided that such non-resident investor shall not be resident in a country which is listed in the public statements issued by Financial Action Task Force from time to time on: (i) jurisdictions having a strategic anti-money laundering/combating the financing of terrorism deficiencies to which counter measures apply; and (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the Financial Action Task Force to address the deficiencies.
“QIBs” or “Qualified Institutional Buyers”	Public financial institutions as defined in Section 4A of the Companies Act, FIIs and Sub-Accounts (other than Sub-Accounts which are foreign corporates or foreign individuals) registered with SEBI, VCFs, FVCIs, Mutual Funds, multilateral and bilateral financial institutions, scheduled commercial banks, state industrial development corporations, insurance companies registered with the IRDA, provident funds and pension funds with a minimum corpus of ₹ 250 Million, the NIF, set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; insurance funds set up and managed by the army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, Government of India, eligible for Bidding.
QIB Bid/Offer Closing Date	In the event our Company, in consultation with the Selling Shareholders and the BRLMs, decides to close Bidding by QIBs one Working Day prior to the Bid/Offer Closing Date, the date one Working Day prior to the Bid/Offer Closing Date; otherwise it shall be the same as the Bid/Offer Closing Date.
QIB Portion	The portion of the Offer being 50% of the Net Offer or [●] Equity Shares available for allocation to QIBs (including Anchor Investors) on a proportionate basis.
“Red Herring Prospectus” or “RHP”	This red herring prospectus, dated July 11, 2016, issued by our Company in accordance with Section 32 of the Companies Act and the SEBI Regulations, which does not contain, <i>inter-alia</i>, complete particulars of the price at which the Equity Shares would be offered. This red herring prospectus has been registered with the RoC at least three days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
Refund Account	The Account opened with the Refund Bank(s) from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to ASBA Bidders) shall be made
Refund Bank(s)/Refund Banker(s)	The Bankers to the Offer with whom the Refund Accounts will be opened, in this case being ICICI Bank Limited and Axis Bank Limited.
Registered Broker(s)	Broker(s) registered with the stock exchanges having its office at any of the Registered Broker Centres and shall not include Syndicate and sub-Syndicate members.
Registered Broker Centres	Broker centres as notified by the Stock Exchanges, where Bidders can submit the Bid-cum-Application Forms to a Registered Broker. The details of such broker centres are available on the websites of BSE and NSE at http://www.bseindia.com/ and http://www.nseindia.com/ , respectively.
“Registrar” or “Registrar to the Offer”	Link Intime India Private Limited
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015

Term	Description
	dated November 10, 2015 issued by SEBI.
Restated Financial Information	Collectively, our Company's Unconsolidated Financial Information, as restated, and Consolidated Financial Information, as restated.
Retail Discount	Discount of [●]% (equivalent of ₹ [●]) to the Offer Price given to Retail Individual Bidders.
Retail Individual Bidders	Individual Bidders, submitting Bids, who have Bid for Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Net Offer (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Retail Portion	The portion of the Offer being not less than 35% of the Net Offer, consisting of [●] Equity Shares, available for allocation to Retail Individual Bidders.
Revision Form	The form used by the Bidders, to modify the quantity of Equity Shares or the Payment Amount in any of their Bid-cum-Application Forms or any previous Revision Form(s), as applicable.
“Self Certified Syndicate Banks” or “SCSBs”	The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is available on the SEBI website at the link http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries , and at such other websites as may be prescribed by SEBI from time to time. For details of the Designated Branches with which ASBA Forms can be physically submitted, please refer to the above-mentioned link.
Share Escrow Agreement	Agreement dated July 9, 2016 between our Company, the Selling Shareholders and the Share Escrow Agent for placing the shares to be offered for sale in the Offer by the Selling Shareholders in an escrow account.
Share Escrow Agent	Escrow agent appointed pursuant to the Share Escrow Agreement, namely, Link Intime India Private Limited
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms for Bidders
Syndicate	The BRLMs and the Syndicate Members.
Syndicate Agreement	Agreement dated July 9, 2016 between our Company, Selling Shareholders and members of the Syndicate, in relation to the collection of Bids (excluding Bids from ASBA Bidders procured directly by SCSBs).
Syndicate ASBA	A Bid submitted by an ASBA Bidder through the members of the Syndicate or their respective sub-Syndicate members at the Syndicate ASBA Centres instead of the Designated Branches.
Syndicate ASBA Centres	The bidding centres of the members of the Syndicate or their respective sub Syndicate.
Syndicate Members or Members of the Syndicate	Intermediaries registered with the SEBI who are permitted to carry out activities as an underwriter, in this case being ICICI Securities Limited and Axis Capital Limited, i.e. the BRLMs.
“Transaction Registration Slip” or “TRS”	The slip or document issued by any member of the Syndicate, the SCSBs or the Registered Brokers, as the case may be, to a Bidder upon demand as proof of registration of the Bid.
Unconsolidated Financial Information, as restated	Restated standalone financial statements of assets and liabilities as of and for March 31, 2016, 2015, 2014, 2013, and 2012, and statement of profit and loss and cash flows for each of the years ended March 31, 2016, 2015, 2014, 2013, and 2012 for our Company.
Underwriters	The BRLMs and the Syndicate Members.
Underwriting Agreement	The agreement to be entered into between the Underwriters, the Selling Shareholders and our Company on or immediately after the Pricing Date.
Working Days	“ Working Day ” means all days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to the time period between (a) announcement of Price Band; and (b) Bid/Offer Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean

Term	Description
	all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

INDUSTRY RELATED TERMS

Abbreviation	Full Form
CAGR	Compounded Annual Growth Rate
DNA	Deoxyribonucleic acid
EISA	Energy Independence and Security Act of 2007
FDA	Food and Drug Administration
GDP	Gross Domestic Product
GMP	Good Manufacturing Practice
LSDs	Lysosomal Storage Disorders
MVA	Manufacturing Value Added
NSP	Non-starch polysaccharide
PPP	Purchasing Power Parity
RNA	Ribonucleic acid
WHO	World Health Organisation
WTO	World Trade Organization

ABBREVIATIONS

Abbreviation	Full Form
AGM	Annual General Meeting.
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
AS/ Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India.
ASBA	Applications Supported by Blocked Amount.
CAGR	Compound Annual Growth Rate.
CAN	Confirmation of Allocation Note.
CDSL	Central Depository Services (India) Limited.
CENVAT	Central Value Added Tax.
CIN	Corporate Identification Number.
Client ID	Client identification number of the Bidder's beneficiary account.
DB	Designated Branch.
DIN	Director's Identification Number.
DP	Depository Participant.
DP ID	Depository Participant's Identification Number.
EGM	Extraordinary General Meeting of the shareholders.
EPS	Earnings per Equity Share.
FCNR Account	Foreign Currency Non Resident Account.
FEMA Regulations	Foreign Exchange Management Act, 1999, as amended from time to time and the rules and regulations issued thereunder.
FBT	Fringe Benefit Tax.
FDI	Foreign Direct Investment.
FII	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India.
FPI	Foreign Portfolio Investors (as defined under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time registered with SEBI under applicable laws in India.
FIPB	Foreign Investment Promotion Board.
FIs	Financial Institutions.

Abbreviation	Full Form
FVCI	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FY	Financial Year.
GAAP	Generally Accepted Accounting Principles.
GBS	Gross Budgetary Support.
GDP	Gross Domestic Product.
GIR Number	General Index Registry Number.
GoI / Government	Government of India.
HNI	High Net Worth Individual.
HUF	Hindu Undivided Family.
ICAI	Institute of Chartered Accountants of India.
IMF	International Monetary Fund.
Ind AS	Indian Accounting Standards
INR	Indian National Rupee.
IPO	Initial Public Offering.
IT Act	Income-tax Act, 1961, as amended.
LIBOR	London Interbank Offer Rate
Ltd.	Limited.
LLP	Limited Liability Partnership.
MCA	Ministry of Corporate Affairs, Government of India
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulation, 1992.
MM	Milli Metre.
NR	Non-Resident.
NRE Account	Non Resident (External) Account.
NRI	Non-Resident Indian.
NRO Account	Non Resident (Ordinary) Account.
NSDL	National Securities Depository Limited.
OCB	Overseas Corporate Body.
p.a.	Per annum.
P/E Ratio	Price / Earnings Ratio.
PAN	Permanent Account Number.
PAT	Profit After Tax.
PBT	Profit Before Tax.
RBI	The Reserve Bank of India.
RoNW	Return on Net Worth.
R&D	Research & Development.
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time.
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SCSB	Self Certified Syndicate Bank.
SICA	The Sick Industrial Companies (Special Provisions) Act, 1985.
STT	Securities Transaction Tax.
SME	Small and Medium Enterprises.
SPV	Special Purpose Vehicle.
Sq. ft.	Square feet.
Sq. mt.	Square metre.
TAN	Tax Deduction Account Number.
TIN	Taxpayers Identification Number.
TRS	Transaction Registration Slip.
UoI	Union of India.
U.S./ United States/ USA	United States of America.
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America.
USD/ US\$	United States Dollar.

Abbreviation	Full Form
VAT	Value Added Tax.
VCFs	Venture capital funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be.
WDV	Written Down Value.
w.e.f.	With effect from.
YoY	Year on Year.

SECTION II – GENERAL

CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY, MARKET DATA AND CURRENCY OF PRESENTATION

Unless otherwise specified or the context otherwise requires, all references to “India” in this RHP are to the Republic of India, all references to the “U.S.”, the “USA” or the “United States” are to the United States of America, together with its territories and possessions.

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

Financial Data

Unless stated otherwise, the financial information in this RHP is derived from Unconsolidated Financial Information, as restated, Consolidated Financial Information, as restated and the related notes, schedules and annexures thereto included elsewhere in this RHP, which have been prepared in accordance with the Companies Act and Indian GAAP and restated in accordance with the SEBI Regulations.

In this RHP, any discrepancies in any table between total and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places and accordingly there may be consequential changes in this RHP.

Our Financial Year commences on April 1 and ends on March 31 of the ensuing calendar year. Unless stated otherwise, references herein to a Financial Year (e.g., Financial Year 2015), are to the Financial Year ended March 31 of that particular year.

Throughout this RHP, all the figures have been expressed in Million of Rupees, or in whole numbers, unless stated otherwise. One million represents 1,000,000.

There are significant differences between Indian GAAP, U.S. GAAP and IFRS; accordingly, the degree to which the Indian GAAP financial statements included in this RHP will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies, Indian GAAP, the Companies Act and the SEBI Regulations,. The reconciliation of the financial information to IFRS or U.S. GAAP financial information has not been provided in this RHP. Any reliance by persons not familiar with Indian accounting policies, Indian GAAP, the Companies Act and the SEBI Regulations on the financial disclosures presented in this RHP should accordingly be limited. We have not attempted to explain these differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on financial data included in this RHP. For details, see “*Risk Factors – Public companies in India, including our Company, are required to prepare financial statements under Ind AS. The transition to Ind AS in India is very recent and still unclear and our Company may be negatively affected by such transition*” on page 39 of this RHP.

Unless the context otherwise indicates, any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 19, 152 and 315 respectively, of this RHP, and elsewhere in this RHP have been calculated on the basis of the audited and Unconsolidated Financial Information, as restated and Consolidated Financial Information, as restated of our Company.

Currency of Presentation

Unless the context otherwise requires, all references to “Rupees” “₹” and “Rs.” in this RHP are to the official currency of India. All references to “US\$”, “USD” or “US Dollars” are to United States Dollars, the official currency of the United States of America. All references to “Euro” or “€” are to Euros, the official currency of the European Union.

Exchange Rates

This RHP contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and other currencies:

Currency	Financial Year ended				
	2016	2015	2014	2013	2012
USD*	66.33	62.59	60.10	54.39	51.16
EURO*	75.10	67.51	82.57	69.54	68.34

*Source: rbi.org.in

In case March 31 of any of the respective years is a public holiday, the previous working day has been considered.

Market and Industry Data

Unless stated otherwise market and industry data used in this RHP has been obtained or derived from publically available information as well as various industry publications and sources. These publications typically state that the information contained therein has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made based on such information. Although we believe the industry and market data used in this RHP is reliable, it has not been independently verified by us or any of the Selling Shareholders or the BRLMs or any of their respective affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable.

The extent to which the market and industry data used in this RHP is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors including those discussed in section titled "Risk Factors" on page 19 of this RHP. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI Regulations, we have included in the chapter "Basis for the Offer Price" on page 123 of this RHP, information pertaining to the peer group companies of our Company. Such information has been derived from publicly available data of the peer group companies.

Additionally, certain industry related information in the chapters titled "Summary of Industry", "Summary of Business", "Industry Overview", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operation" on pages 44, 52, 130, 152 and 315, respectively, of this RHP, has been derived from an industry report titled "Industry Study #3104 World Enzymes January 2014" ("**Freedonia Report**"), prepared by The Freedonia Group, Inc. Neither we nor any other person connected with the Offer has verified the information sourced from this Freedonia Report. Prospective investors are advised not to unduly rely on the information sourced from this report when making their investment decisions. Our Company, Directors, Promoters and Promoter Group of the Company are not related to The Freedonia Group, Inc, in any way.

FORWARD LOOKING STATEMENTS

This RHP contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “contemplate”, “estimate”, “expect”, “future”, “goal”, “intend”, “is likely to result”, “objective”, “plan”, “project”, “seek to”, “should”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans, prospects or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Further, the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India and abroad in which we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and abroad, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence.

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Disruption in operations of our foreign subsidiaries;
- Reduction in demand for our products;
- Foreign exchange fluctuations;
- Competition in our industry;
- Changes in laws, regulations and taxes; and
- Our inability to retain our management team and skilled personnel.

For a further discussion of factors that could cause our actual results to differ from the expectations, please refer section titled “*Risk Factors*” beginning on page 19 of this Red Herring Prospectus, and chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 152 and 315, respectively of this RHP. By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated. We cannot assure investors that the expectation reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance. Neither our Company, the Directors, the Selling Shareholders nor the BRLMs, the members of the Syndicate nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI Regulations, our Company and the BRLMs will ensure that investors in India are informed of material developments until the time of grant of listing and trading permissions by the Stock Exchanges. Further, in accordance with Regulation 51A of the SEBI Regulations, the Company may be required to undertake an annual updation of the disclosures made in this Red Herring Prospectus/ the Prospectus and make it publicly accessible in the manner specified by SEBI. Each Selling Shareholder will severally ensure that investors are informed of material developments solely in relation to the statements and undertakings made by such Selling Shareholder in this Red Herring Prospectus until the time of grant of listing and trading permissions by the Stock Exchange.

SECTION III- RISK FACTORS

An investment in our Equity Shares involves a high degree of financial risk and you should carefully consider all information disclosed in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risk factors set forth below are not exhaustive and do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. If any, or some combination, of the following risks actually occurs, our business, prospects, results of operations and financial condition could suffer, the trading price of our Equity Shares could decline and you may lose all or part of your investment. In making an investment decision, prospective investors must rely on their own examination of our Company and the Offer, including the merits and risks involved. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. Unless specified or quantified in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. Investors should not invest in this Offer unless they are prepared to accept the risk of losing all or part of their investment, and they should consult their tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

This RHP also contains forward-looking statements that involve risks and uncertainties. We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this RHP. Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with restated financial statements of our Company for the Fiscals 2012, 2013, 2014, 2015 and 2016 in each case prepared in accordance with Indian GAAP, including the schedules, annexure and notes thereto.

To obtain a better understanding of our business, you should read this section in conjunction with other chapters of this Red Herring Prospectus, including the chapters titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and section titled “Financial Information” beginning on pages 152, 315 and 230 respectively of this Red Herring Prospectus, together with all other financial information contained in this Red Herring Prospectus.

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

- 1. Some risks may not be material individually but may be material when considered collectively.*
- 2. Some risks may have material impact qualitatively instead of quantitatively.*
- 3. Some risks may not be material at present but may have a material impact in the future.*

INTERNAL RISK FACTORS

- 1. Our Company, our Subsidiaries, our Group Companies, our Promoters and our Directors are parties to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.**

Our Company, our Subsidiaries, our Group Companies, our Promoters and our Directors are parties to certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals and fora.

Mentioned below are the details of the proceedings pending against our Company, our Subsidiaries, our Group Companies, our Promoters and our Directors as on the date of this Red Herring Prospectus along with the amount involved, to the extent quantifiable, based on the materiality policy for litigations, as approved by the Company in its Board meeting held on November 28, 2015:

Litigations against our Company / Promoters / Directors:

Sr. No.	Nature of Cases		No. of outstanding cases	Amount to the extent quantifiable (in ₹ million)
(I) Litigations against our Company				
1.	Tax	Income Tax	9	170.97
2.		Excise Duty/ Service Tax	7	23.16
(II) Litigations against our Director				
	Criminal	Complaints filed against our Non-Executive and Non-Independent Director, Mr. Kunisetty Venkata Ramakrishna	7	389.02

Litigations filed by our Company / Promoters / Directors:

Sr. No.	Nature of Cases		No. of outstanding cases	Amount to the extent quantifiable (in ₹ million)
(I) Litigations filed by our Company				
1.	Civil	Civil Writ Petition filed by our Company and our Promoter and Managing Director, Mr. Chandrakant Laxminarayan Rathi.	1	--
2.	Criminal	Complaints filed by our Company	2	1.71
(II) Litigations filed by our Promoter / Director				
3.	Civil	Civil Writ Petition filed by our Company and our Promoter and Managing Director, Mr. Chandrakant Laxminarayan Rathi.	1	--

There can be no assurance that these litigations will be decided in our favour or in favour of our Subsidiaries, our Group Companies, our Promoters and our Directors and consequently it may divert the attention of our management and Promoters and waste our corporate resources and we may incur significant expenses in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If such claims are determined against us, our Subsidiaries, our Group Companies, our Promoters and our Directors, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares.

Further, in addition to the aforesaid table, action by statutory/regulatory authorities has also been initiated against our Company, one of our Promoters and Directors, the details of such cases and the cases filed by and against our Company, our Subsidiaries, our Group Companies, our Promoters and our Directors, please see the chapter titled "Outstanding Litigations and Material Developments" beginning on page 340 of this RHP.

2. ***There are certain outstanding criminal matters involving our Non-executive and Nominee Director Mr. Kunisetty Venkata Ramakrishna. Failure to defend these proceedings successfully may have an adverse effect on our reputation.***

Our Non-executive and Nominee Director Mr. Kunisetty Venkata Ramakrishna, is involved in certain outstanding criminal matters initiated against ICOMM Tele Limited and himself in his capacity as an erstwhile Independent Director of ICOMM Tele Limited. These proceedings are pending at different levels before various courts. Currently, no order has been passed and no penalties have been imposed on Mr. Kunisetty Venkata Ramakrishna. However, there is no assurance that he will not be made liable to bear any part of penalties, when imposed, or any other additional penalties/costs imposed, in future. Any adverse developments against Mr. Kunisetty Venkata Ramakrishna may result in an adverse material impact on our business, goodwill, and reputation. For further details, see chapter titled "Outstanding Litigations and Material Developments" beginning on page 340 of this RHP.

3. ***We are significantly dependent on our foreign Subsidiaries incorporated in North America for the sale and marketing of most of our products in these regions. Any disruption in operations of these foreign Subsidiaries could have a material adverse effect on our business, prospects, financial condition and results of operations.***

We are significantly dependent on our foreign Subsidiaries incorporated in North America for the sale and marketing of most of our products in these regions. For the fiscal year ended March 31, 2016, 54.94% of our total revenues were derived from USA, 3.84% - from Europe, 3.63% - from Asia (ex-India) and 1.15 % from other geographies (excluding India and US) aggregating to 63.56% of total revenues, majority of which is attributable to our foreign subsidiaries. During the same period, 55.70% of our total expenses were incurred in Indian rupees, while the balance 44.30% was incurred in foreign currencies. In the event, there are any disruptions in the operations of the aforesaid foreign Subsidiaries due to any reason whatsoever, or if any of their key managerial personnel disassociate themselves from these Subsidiaries, it could have a material adverse effect on our business, financial condition and results of operations. For further details, please see the chapter titled “Our Business” beginning on page 152 of this RHP.

4. ***We have not entered into any long term or definitive agreements with our customers. If our customers choose not to source their requirements from us, our business, financial condition and results of operations may be adversely affected.***

We have not entered into any long term or definitive agreements with our customers, and instead rely on purchase orders to govern the volume, pricing and other terms of sales of our products. However, such orders may be amended or cancelled prior to finalisation, and should such an amendment or cancellation take place, we may be unable to seek compensation for any surplus unpurchased products that we manufacture. Our customers do not, typically, place firm purchase orders until a short time before the products are required from us as a result of which, we do not hold a significant order book at any time, making it difficult for us to forecast revenue, production or sales. Consequently, there is no commitment on the part of the customer to continue to source their requirements from us, and as a result, our sales from period to period may fluctuate significantly as a result of changes in our customers’ vendor preferences.

Additionally, our customers have high and exacting standards for product quantity and quality as well as delivery schedules. Any failure to meet our customers’ expectations could result in cancellation of orders. There are also a number of factors other than our performance that are beyond our control and that could cause the loss of a customer. Customers may demand price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates, change their outsourcing strategy by moving more work in-house, or replace their existing products with alternative products, any of which may have an adverse effect on our business, results of operations and financial condition.

5. ***Our historical revenues have been significantly dependent on sales of our top five product groups. Any reduction in demand for these products or permanent or temporary discontinuation in manufacturing of these products could have a material adverse effect on our business, prospects, financial condition and results of operations.***

Our historical revenues have been significantly dependent on sales of our top five product groups. For the fiscal year ended March 31, 2016, sales from these top five product groups accounted for 48.05% of our total revenues. Any reduction or discontinuation in the demand or a temporary or permanent discontinuation in manufacturing of these product groups could have a material adverse effect on our business, prospects, financial condition and results of operations. Further, introduction of similar products by our competitors in future could also adversely affect our business, prospects, financial condition and results of operations.

6. ***During the second half of the fiscal year ended March 31, 2014, we conducted a voluntary recall of some consignments of goods of enzymes, which were potentially contaminated, on account of which we incurred an exceptional charge of ₹ 539.98 million for the fiscal year ended March 31, 2014. There is a risk that we may face a similar situation again in the future, which if it materializes, may significantly impact our business, reputation, financial conditions and results of operations.***

In the fiscal year 2014, some consignments of goods of enzymes sold by us were reported to have potential

contamination. During the second half of this year, we undertook a voluntary recall of those specific lots and received goods returned back. Consequently, we had to charge a one time inventory write off, settle claims of some of the customers and incur certain expenses related to the voluntary product recall. Following expenses represents consequential cost on account of product recall, which have been cumulatively recorded as an exceptional item for the fiscal year ending March 31, 2014, as per our consolidated financial statements, as restated:

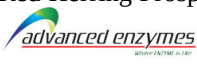
Particulars	For the year ended March 31, 2014 (₹ in million)
Sales returns	243.75
Expenditure towards settlement of claims	247.09
Write offs	13.76
Other related expenses	50.67
Total	555.27
Less: Insurance claim received	15.29
Exceptional Items	539.98

Further, the exceptional items for fiscal 2014 amounted to 22.55 % of our total revenues from operations for fiscal 2014. Particularly, the sales returns forming part of the exceptional items for fiscal 2014 (on account of the voluntary product recall) amounted to 10.18 % of our total revenues from operations for fiscal 2014.

In addition to the significant financial impact of undertaking the voluntary recall and completing necessary remedial measures, some of our customers were also adversely impacted on account of this recall, as they also had to recall their end-products, which were developed using the products supplied by us. Consequently, some of them initiated claims against us, and as can be seen from the above, ₹ 247.09 million was the expenditure incurred by us towards settlement of such claims. In addition, we also received letters from some of our customers related to this recall, which have not yet materialized into formal litigations / suits, but, if ever filed, could potentially impact our business and financial condition. Further, it is possible that we may have also lost few of our customers during this period, and our reputation may also have been impacted in the market during this period.

Further, there is a risk that we may face a similar situation again in the future, wherein we may have to recall our products on account of potential quality issues, which may also require our customers to recall their end-products. If such situations were to materialize in the future, our business, reputation, financial conditions and results of operations could be adversely impacted and we may incur significant financial losses.

7. ***Intellectual property rights are important to our business. Since our business is based on evolving innovative and unique methods and using the same for developing enzyme products and solutions, it is very important for us to ensure confidentiality of our intellectual property rights. We may be unable to protect them from being infringed by others, including our current and / or future competitors/employees.***

As on the date of this Red Herring Prospectus, we have filed an application dated May 19, 2016 for the registration of our corporate logo , and the same is currently pending. Hence we do not enjoy the statutory protection accorded to a registered trademark. All our patents, trademarks and copyrights are our material assets and are crucial to our business operations. As on the date of this RHP, our Company has 13 (thirteen) patents and applications for registration of 4 (four) patents are pending before the relevant authorities. Further, our Company has 128 (one hundred and twenty-eight) trademarks registered in its name and applications for registration of 14 (fourteen) trademarks are pending before the relevant authorities. Moreover, one of our subsidiaries, Cal-India has 44 (forty-four) trademarks registered in its name and registration of 1 (one) trademark is pending before the relevant authorities. Our Company also has 6 (six) copyrights registered in its name and registration of 2 (two) copyrights is pending before the relevant authorities. Since our business is based on continuously evolving innovative and unique methods for developing enzyme products and solutions, it is very critical for us to protect our intellectual property and trade secrets with respect to our employees who have access to such information. Further, we also have to be very cautious in ensuring that our trade secrets do not fall in the hands of our competitors or any third party who could give access of such information to our competitors. We depend on a combination of copyright, trademark laws and confidentiality agreements with our employees and third parties to protect our intellectual property rights. In terms of such confidentiality agreements, our key employees are required to acknowledge and recognize that all

inventions and other processes made by them during their employment at our Company are the property of our Company. However, agreements entered into with our employees may not afford adequate protection for our trade secrets, confidential information and intellectual property. In the event, any of our employees, during or after their association with our Company, disclose the crucial information regarding our intellectual property, trade secrets and other methods to our competitors, directly or indirectly, our Company may resort to litigations or other proceedings to enforce, protect or determine the validity and scope of our intellectual property rights and to defend against third party infringements, which may be expensive and resource-consuming and may also create uncertainty regarding the ownership of such rights. Although, we believe that that our present systems are adequate to protect our confidential information and intellectual property, there can be no assurance that our intellectual property data, trade secrets or proprietary technology will not be copied, infringed or obtained by third parties. Further, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. This may lead to litigations and any such litigations could be time consuming and costly and their outcome cannot be guaranteed. Our Company may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property, which may adversely affect our business, financial condition and results of operations. For further details pertaining to our intellectual property, please refer to the chapter titled “Our Business” beginning on page 152 of this Red Herring Prospectus.

8. ***Our wholly owned subsidiary Advanced Enzymes USA had acquired Cal-India from our Promoter Mr. Vasant Laxminarayan Rathi and certain members of our Promoter Group in 2011, for which it has issued promissory notes, which have been secured by the pledge of shares held by it in Cal-India and AST Enzymes. In the event, Advanced Enzymes USA defaults in repayment of these promissory notes, the holders of these notes may invoke the pledge resulting in de-subsidiarization of Cal-India and AST Enzymes, and losing control over them.***

By a Stock Purchase Agreement dated April 4, 2011, Advanced Enzymes USA, our wholly-owned subsidiary acquired the outstanding stocks of Cal-India from our Promoter Mr. Vasant Laxminarayan Rathi, and certain members of our promoter group, namely Ms. Rachana Rathi, Ms. Rasika Rathi and Ms. Reshma Rathi for such consideration as payable under Purchaser Notes dated April 4, 2011. Part of the consideration payable under these purchaser notes was repaid by Advanced Enzymes USA by borrowing USD 3 million from our Group Company, Rathi Property LLC and USD 17 million from our Promoter, Mr. Vasant Laxminarayan Rathi (“**Lenders**”), aggregating to USD 20 million, for which it issued promissory notes dated December 13, 2012 to Rathi Property LLC and Mr. Vasant Laxminarayan Rathi. Further, Advanced Enzymes USA has also pledged its shares in Cal-India and AST Enzymes with the Lenders as security for repayment of the aforesaid loans under the said Promissory Notes and the Addendum executed in March 2014, respectively. Therefore, in the event of default of repayment of the aforesaid promissory notes to the Lenders, the Lenders may invoke the pledge and sell the shares held by Advanced Enzymes USA in Cal-India as well as AST Enzymes and recover their dues, which may lead to de-subsidiarising Cal-India and AST Enzymes, and Advanced Enzymes USA losing control over them. This may in turn adversely affect our business, financial conditions and future prospects. For further information, please see the chapter “History and Certain Corporate Matters” beginning on page 188 of this RHP.

9. ***We derive a significant portion of our revenues from exports and are exposed to foreign currency fluctuations. In case we are unable to effectively mitigate any adverse impact of foreign currency fluctuations, it may adversely affect our business, financial condition and results of operations.***

A significant portion of our revenues are derived by exporting our enzyme products and solutions to North America, Asia (ex-India), Europe and various other countries. For the fiscal year ended March 31, 2016, 63.56% of our revenue from operations was from international markets, while 36.44% was contributed by the Indian market. While depreciation of the Rupee against the U.S. Dollar and other foreign currencies increases the Rupee value of such revenues, an appreciation of the Rupee, particularly with respect to the U.S. Dollar, decreases the Rupee value of our revenues. Further, as on date, we have not entered into any hedging transactions for managing the risk of foreign currency movements. Therefore, in the event there is sustained appreciation in the Rupee, our revenues in Rupee terms will be adversely affected although there may not be a fall in sales in actual terms. If we are unable to effectively mitigate any adverse impact of foreign currency fluctuations, it may adversely affect our business, financial condition and results of operations.

10. ***Our business is research-driven which is dynamic and ever changing and we may not be able to adapt to such changes and maintain our growth in face of the competitive environment that we currently operate in.***

Our Company is a research driven company. Our business model is based on continuous evolution of innovative and customised enzyme products and solutions for our clients. Our field involves specialised research and development and manufacturing of various types of enzymes and enzyme products and solutions. For such R&D, we require specific skill sets. Presently, we have four R&D facilities located in India and California, USA. In the event, the employees in our R&D facilities disassociate themselves with our Company and if we are unable to find personnel with the requisite skill sets to replace them, we may not be able to carry out the R&D activities with required expertise and experience, which may adversely affect our operations. Further, the field of R&D is very dynamic and ever changing and we may fail to adapt to such changes. Although we have considerable knowledge and expertise in the enzyme industry and in R&D, we cannot assure if we can manage to keep up with the pace of constant innovation and developments. Further, since we operate in a highly competitive environment, it cannot be assured that we will be able to keep pace with our competitors in terms of investments in R&D, expansion, acquisitions for inorganic growth, etc. If we cannot keep pace with our competitors or cannot continuously develop new products, our business and financial conditions may be adversely affected.

11. ***We have not entered into any long term or definitive agreements with our raw material suppliers. Our inability to obtain raw material in a timely manner, in sufficient quantities and/or at competitive prices could adversely affect our operations, financial condition and/or profitability.***

Our business is dependent on our suppliers for procuring raw material required for manufacturing our products. For the fiscals 2016, 2015 and 2014, our cost of material consumed amounted to 30.98%, 27.57%, and 35.04% of our total expenses (including tax) for these periods respectively. Typically, we do not enter into long term contracts with our suppliers and prices for raw materials are normally based on the quotes we receive from various suppliers on an ongoing basis. Therefore, there are no fixed terms and conditions on which we purchase our raw materials. Further, fluctuations in the price, availability and quality of raw materials used in our manufacturing process, could have a material adverse effect on cost of sales or our ability to meet customer demands with respect to pricing and quality. There can be no assurance that we will always be successful in our efforts to protect our business from the volatility of the market price of raw materials, and our business may be adversely affected by dramatic movements in the prices of raw materials. Discontinuation of production by these suppliers or a failure of these suppliers to adhere to the delivery schedule or the required quality could hamper our production schedule and the quality of our products. There can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials to us. Further, we cannot assure you that our suppliers will continue to be associated with us on reasonable terms, or at all. In the event that we fail to secure sufficient quantities of such raw materials from our suppliers at acceptable quality and prices in a timely manner, our business, financial performance and cash flows may be adversely affected. Further should there be any significant increases in prices of the raw materials used, and we are unable to pass on such increases in raw material prices to our customers or find alternative suppliers/sources for supply of raw materials at competitive prices, our business, operations and financial performance could be adversely affected. Further, such factors can also lead to delay in delivering our products to our customers in a timely manner or at all thereby exposing us to the risk of losing our customers or not obtaining repeat orders from them.

12. ***Our manufacturing operations are critical to our business and any shutdown of our manufacturing facilities may have an adverse effect on our business, results of operations and financial condition.***

Presently, we have six manufacturing facilities in India and USA. Any local, social unrest, natural disaster or breakdown of services and utilities in that area could have material adverse effect on the business, financial position and results of our operations. Our manufacturing and R&D facilities are subject to operating risks, such as breakdown or failure of equipment, power supply or processes, reduction or stoppage of water supply, performance below expected levels of efficiency, obsolescence, natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. In the event that we are forced to shut down our manufacturing facilities for a significant period of time, it would have a material adverse effect on our business, results of operations and financial condition. Further, continuous addition of industries in and around our manufacturing facilities without commensurate growth of its infrastructural facilities may put pressure on the existing infrastructure therein, which may adversely affect our business. Further, the spiraling cost of living around our manufacturing facilities may push our manpower costs higher, which may reduce our margin and cost competitiveness.

13. ***Advanced Vital Enzymes Private Limited, one of our Group Companies has objects similar to that of our Company's business and is engaged in the same and/ or similar line of business / industry in which our Company operates. This may be a potential source of conflict of interest for us and which may have an adverse effect on our business, financial condition and results of operations.***

One of our Group Companies, Advanced Vital Enzymes Private Limited is engaged in the same and/or similar line of business / industry in which our Company operates and could offer services that are related to the business of our Company. Further, our Promoter Mr. Chandrakant Laxminarayan Rathi is also on the board of Advanced Vital Enzymes Private Limited and Mr. Piyush Chandrakant Rathi, one of our promoter group members owns a majority stake in Advanced Vital Enzymes Private Limited. This may be a potential source of conflict of interest in addressing business opportunities, strategies, implementing new plans and affixing priorities. However, our Promoter, Mr. Chandrakant Laxminarayan Rathi and our Company have entered into a Non-compete Agreement dated March 16, 2013 with Advanced Vital Enzymes Private Limited in order to avoid the conflict of interest envisaged above which was further revised and modified vide another Non-compete Agreement dated January 13, 2016.

14. ***If we do not successfully commercialise our products, or if the commercialization is delayed, our business, financial conditions and the results of operations may be adversely affected.***

Our present and future results of operations depend upon our ability to successfully develop and commercialize our products. The development process requires extensive research and results may be uncertain and we may not be successful in developing a product that can ultimately be commercially viable. Once a product is developed by our R&D facilities, it needs to be commercialised in a timely manner, for it to contribute to the total revenues of our Company. We believe that historically we have been able to successfully commercialise our enzyme products and solutions without significant delays and over the years, we have successfully developed and commercialized 60 enzymes, and more than 400 enzyme products. However, there can be no assurance that we will be able to maintain this record in the future as well, and we may face undue delays in commercializing our enzyme products and solutions. Such delays may adversely affect our business, financial conditions and the results of operations.

15. ***In the past there has been an instance of default in the repayment of principal and interest falling due for the secured loans taken by us from our Promoter Mr. Vasant Laxminarayan Rathi and our Group Company Rathi Property LLC. Occurrence of such defaults in the future may result in adversely impact our business, reputation, financial conditions and results of operations.***

Our subsidiary, Advanced Enzymes USA had borrowed USD 3 million from our Group Company, Rathi Property LLC and USD 17 million from our Promoter, Mr. Vasant Laxminarayan Rathi, aggregating to USD 20 million, and in turn, had issued promissory notes dated December 13, 2012 to Rathi Property LLC and Mr. Vasant Laxminarayan Rathi, carrying an interest rate of 3.5% per annum. These funds were used by Advanced Enzymes USA for repayment of certain other promissory notes, which were issued as a part of consideration for purchase of shares of Cal-India by Advanced Enzymes USA. We have defaulted in the repayment of principal and interest falling due for these secured loans, the details of which are as follows:

Particulars	As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	₹ in million	Period of default	₹ in million	Period of default	₹ in million	Period of default
Default on payment of principal						
Vasant Rathi	-	-	322.79	15 months	101.55	3 months
Rathi Property LLC	-	-	56.96	15 months	17.92	3 months
Default on payment of interest on loan						
Vasant Rathi	-	-	8.29	1 month	15.65	3 months
Rathi Property LLC	-	-	1.46	1 month	2.76	3 months

Occurrence of such defaults in the future may adversely impact our business, reputation, financial conditions and results of operations. For further details, please see the section titled “Financial Information” beginning on page 230 of this Red Herring Prospectus.

16. *Our Statutory Auditors have included a qualification in the Auditors’ reports for the year ended March 31, 2014.*

Our Statutory Auditors have included a qualification in the Auditors’ report for the year ended March 31, 2014, in respect of payment of managerial remuneration in excess of the allowable limits under Companies Act, 1956 without the previous approval of Central Government. For further details, please see “*Reservations, Qualifications and Adverse Remarks in the Last Five Financial Years*”, “*Financial Statements – Annexure IV: Statement of Notes to the Consolidated Financial Information, as restated*” and “*Financial Statements – Annexure IV: Statement of Notes to the Unconsolidated Financial Information, as restated*” on pages 67, 237 and 276, respectively, of this Red Herring Prospectus.

17. *We are subject to product liability claims with respect to quality and defects in our products in India as well as in other countries where we sell our products. Any claims arising from such liabilities may harm our reputation, require us to incur substantial costs and/or have an adverse impact on our business, financial conditions and results of operations.*

We are subject to product liability claims with respect to quality and defects in our products in India as well as in other countries where we sell our products. Our clients will be required to comply with certain quality standards for the products supplied by them to their customers and in turn, our Company may be required to enable them to meet certain quality requirements prescribed by our clients. In case we are unable to provide the prescribed quality standards which enables our clients to meet the quality standards prescribed by them we may not be able to retain such clients which could result in substantial business losses. Defects, if any, in our products could lead to rejection of supplied products and consequential replacement liability. In the event, our Company fails to maintain the quality of its products or if there is any major defect in our products in future, we could be made liable to the customers and the same could consequently lead to a negative publicity against our Company thereby affecting our brand value, reputation, business, results of operations and financial condition. Management resources could also be diverted away from our business towards defending such claims. As on the date of this RHP, our Company does not have a product liability insurance policy, though some of our Subsidiaries in the USA do have a Commercial general liability policy on a claims-made basis. In the event, there are any liabilities arising from such claims, our business, financial performance and results of operations may be adversely affected. We cannot assure you that no such claims will be brought against us in the future or that such claims will be settled in our favour. Any such successful claims against us could adversely affect our business, financial condition and results of operations.

18. *We may not be able to correctly assess the demand for our products, which may adversely affect our business, financial condition and results of operations.*

We may not be able to correctly assess the demand for our products in the market, domestic as well as international. Historically, we have been able to maintain adequate inventory levels and have been able to deliver our products in the markets as per the prevailing demand. However, we cannot assure you that in the future we will be able to correctly assess the demand for our products and maintain adequate inventory levels. Any misjudgement in assessing demand could result in either high inventory levels or low inventory levels. High inventory levels could disturb our working capital cycle and low inventory levels could hinder our process of adequately catering to the prevailing demand thus impacting our business, financial condition and results of operations.

19. *In the past, there have been instances where operations at one of our manufacturing facilities at Sinnar (Nashik, Maharashtra, India) had been temporarily halted and our Company’s drug license was temporarily suspended. There can be no assurance that such instances will not re-occur in the future and we may face similar or further consequences which may adversely affect our business, financial condition and results of operations.*

In 2006, an order was passed against our Company by the Deputy Commissioner, Nashik Division (Food and Drugs Administration Department) for contravention of certain provisions of the Drugs and Cosmetic Act, 1940 pursuant to which operations at one of our manufacturing facilities at Sinnar (Nashik, Maharashtra, India) had been halted and our Company’s drug license was temporarily suspended for a period of 15 (fifteen) days from June 26, 2006 to

July 10, 2006. The aforesaid order of suspension was issued to our Company inter-alia on the grounds that our Company had contravened provisions of Rule 78(a)(i), Rule 78(b) and Rule 78(p) of the Drugs and Cosmetics Rules, 1945 (“the Rules”) made under the Drugs and Cosmetics Act, 1940 read with Part I and Part I-F of Schedule M prescribed under the Rules. The violations inter-alia pertained to (i) maintenance of the factory building in proper condition; (ii) provision of dedicated facilities to avoid cross-contamination; (iii) provision of adequate air conditioning in the storage areas; (iv) maintenance of a system for testing of water used in the production process; (v) storage of certain items without labeling the same; (vi) provision of air-lock facility in the formulation process etc. Further, in 2011, another order was passed by the same authority suspending our Company’s drug license for a period of 3 (three) days from March 9, 2011 to March 11, 2011. The aforesaid order of suspension was issued to our Company for violation of the Drugs and Cosmetics Rules, 1945 inter alia on the following grounds (i) failure to obtain the requisite license under the applicable laws relating to prevention of food adulteration and drugs & cosmetics for production of certain varieties of premix; (ii) failure to maintain control samples of the premix manufactured by the Company; (iii) provision of the premix to a third party without testing the same; and (iv) failure to follow good manufacturing practices. Such temporary suspension of our drug license and halting of operations at our manufacturing facility had adversely affected our business and financial condition. Although, we believe that, currently, we are in compliance with the Drugs and Cosmetics Act, 1940, there can be no assurance that a similar non-compliance will not arise in the future which may adversely affect our business, financial condition and results of operations.

20. ***A significant portion of the proceeds of the Fresh Issue will be utilized for investment in our wholly owned subsidiary Advanced Enzymes USA, which shall in turn utilize these funds for repayment / pre-payment of certain loans availed by it from our Promoter, Mr. Vasant Laxminarayan Rathi and our Group Company Rathi Property LLC.***

One of the Objects of the Fresh Issue is for investment of ₹ 400 million, which constitutes 80% of the proceeds of the Fresh Issue, in our wholly owned subsidiary Advanced Enzymes USA, which shall in turn utilize these funds for repayment / pre-payment of certain loans availed by it from our Promoter, Mr. Vasant Laxminarayan Rathi and our Group Company Rathi Property LLC. Advanced Enzymes USA had availed USD 3 million from our Group Company, Rathi Property LLC and USD 17 million from our Promoter, Mr. Vasant Laxminarayan Rathi, aggregating to USD 20 million, and in turn, had issued promissory notes dated December 13, 2012 to Rathi Property LLC and Mr. Vasant Laxminarayan Rathi, carrying an interest rate of 3.5% per annum, which may be at a lower rate of interest than other loan facilities availed by our Company from various banks and financial institutions. The interest rate for the loans availed by our Company ranges from 9.96% per annum to 12.75% per annum, while we also avail export credit facility at LIBOR + 200 basis points. For further details, please see the chapter titled “Financial Indebtedness” beginning on page 337, and on page 250 under “Principal terms and conditions of long-term and short-term borrowings as at March 31, 2016”, in Annexure VIII: Consolidated Statement of Long-term borrowings, as restated, in the chapter titled “Financial Information” beginning on page 230 of this Red Herring Prospectus. The funds were utilised by Advanced Enzymes USA for repayment of certain other promissory notes, which were issued as a part of consideration for purchase of shares of Cal-India by Advanced Enzymes USA. For further details, please see the chapter titled “Objects of the Offer” beginning on page 117 of this Red Herring Prospectus.

21. ***The Offer for Sale proceeds will not be made available to the Company.***

This Offer includes a Fresh Issue of [●] Equity Shares by our Company aggregating upto ₹ 500 million and an Offer for Sale of upto 4,034,470 Equity Shares aggregating upto ₹ [●] million by the Selling Shareholders. Our Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds. Through the Offer for Sale the transfer of upto 4,034,470 Equity Shares shall take place by the Selling Shareholder. Therefore, the proceeds from the Offer for Sale shall be remitted to the Selling Shareholders and our Company will not benefit from such proceeds.

22. ***We operate in a competitive business environment, both globally and domestically. Competition from existing players and new entrants and consequent pricing pressures may adversely affect our business, financial condition and results of operations.***

We operate in a competitive business environment. Growing competition in the domestic and/or international

markets may subject us to pricing pressures and require us to reduce the prices of our products in order to retain or attract customers, which may have a material adverse effect on our revenues and margins. While we are focused on research and development to develop innovative and cost effective products, and to broaden our product range, in the event our competitors harness better process technology or improved process yield or are able to source raw materials at more competitive prices, and are therefore able to create new products or substitutes for our products at competitive prices, we may not be able to maintain our growth rate and revenues and profitability may decline. Some of our competitors may be increasing their capacities and targeting the same products or applications as us. Some of our competitors are global companies that have larger technical and financial resources and broad customer bases needed to bring competitive solutions to the market. Such companies may use these advantages to offer solutions that are perceived to be as effective as ours at a lower price. They may also develop different products to compete with our current solutions and respond more quickly and effectively than we do to new or changing opportunities, applications, technologies, standards, or client requirements. There can be no assurance that we can continue to effectively compete with our competitors in the future, and failure to compete effectively may have an adverse effect on our business, financial condition and results of operations. For details concerning our competition, please see the chapter titled “Our Business” beginning on page 152 of this Red Herring Prospectus.

- 23. *Our success depends largely upon the knowledge and experience of our Promoters and other Key Managerial Personnel. Any loss of our key managerial personnel or our ability to attract and retain them could adversely affect our business, operations and financial condition.***

Our Promoters Mr. Chandrakant Laxminarayan Rathi and Mr. Vasant Laxminarayan Rathi have a cumulative experience of more than seven decades in the enzymes industry. Our Company depends on the management skills and guidance of our Promoters for development of business strategies, monitoring its successful implementation and meeting future challenges. Our Promoters, along with our key managerial personnel, who form an integral part of our Company, have over the years built relations with suppliers, customers and other key stakeholders associated with our Company. Our future performance will depend largely on our ability to retain the continued service of our management team. If one or more of our key managerial personnel are unable or unwilling to continue in his/ her present position, it could be difficult for us to find a suitable or timely replacement and our business could be adversely affected. Further, since the demand for the key managerial personnel is very robust, in order to retain them, our Company may be required to offer them higher compensation packages by way of higher pay, more perquisites and stock options. This may adversely affect our business, financial condition and results of operations.

- 24. *Our revenues and profits are dependent on several factors. Any adverse change in these factors or in combination of these factors may affect our business operations and the financial condition and consequently, our ability to pay dividends.***

Our revenues and profits are dependent on several factors such as developing new products, retaining key managerial personnel, complying with various regulatory requirements, repeat orders from our clients, managing costs and expenses, maintaining adequate inventory levels, general market conditions, etc. Any adverse change in these factors or a combination of these factors may adversely affect our business operations and financial condition. Further, although we have consistently paid dividends in the past, our ability to pay dividends will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures, and various other factors and there can be no assurance that we shall have distributable funds or that we will declare dividends in the future as well.

- 25. *Any delays or defaults in receipt of payments or dues from our customers could result in a reduction of our profits.***

We regularly commit resources to orders/assignments prior to receiving advances or other payments from our clients. We may be subject to working capital shortages due to delays or defaults in receipt of payments or dues from such customers. If our customers default in their payments or if an order/assignment in which we have invested significant resources is delayed, cancelled or curtailed, it could have a material adverse effect on our business, financial condition and results of operations.

- 26. *Any adverse events in the end use industries which we cater to could have a material impact on the performance of our Company.***

We cater primarily to the pharmaceutical, nutrition, and food industries which are highly regulated and require us to maintain stringent and restrictive norms in relation to quality standards. Further, the entry barriers in regulated markets in which we currently operate and seek to expand are very high and have extensive regulations pertaining to research, testing, and manufacturing, selling and marketing of products. Further, any change in government policy or introduction of new legislation or amendment to the existing regulation or any adverse event as a result of which our customers are adversely affected, or we have to incur additional compliance costs, will have a material adverse impact on our business, financial conditions and results of operations.

- 27. *We rely extensively on our systems, including quality assurance and quality control systems to maintain the quality of our products. Any failure of these systems could adversely affect our business, financial condition and results of operations.***

Over the years, we have developed adequate and stringent quality assurance and quality control systems across our manufacturing and R&D facilities to maintain the quality of our products. However, any failure of such systems or any failure on the part of our personnel in correctly implementing these systems could adversely affect our output and in turn may affect our business operations and financial conditions. Further, it may also lead to negative publicity for our Company, if the quality of our products is compromised due to the aforesaid reasons.

- 28. *We are receiving certain tax benefits, which may not be available to us in the future. Loss of these tax benefits in the future may result in a decrease in our margins, which could in turn have a material adverse effect on our business, financial condition and results of operations.***

One of our manufacturing facilities is located in Pithampur Special Economic Zone, which entitles us to certain income tax benefits, under Section 10AA of the Income-Tax Act, 1961. Further, the Company has three laboratories in India conducting in-house research, all three of which had received recognition from DSIR till March 31, 2016 and were eligible for deduction under Section 35(2AB) of the Income-Tax Act, 1961, up to FY 2015-16. The Company had made an application to DSIR for renewal of recognition for all three laboratories, and the recognition has been renewed till March 31, 2019 vide letter dated July 04, 2016. Our Company is in the process of making an application to the DSIR for claiming deduction under Section 35(2AB) of the Income-Tax Act, 1961, for all the three laboratories. If we are unable to obtain the aforesaid approval for claiming deduction in a timely manner or at all, or loss of any of the existing tax benefits in the future may result in a decrease in our profit after tax margins, which could in turn affect our financial condition. For further details of the tax benefits available to us, please see the chapter titled “Statement of Tax Benefits” beginning on page 126 of this Red Herring Prospectus.

- 29. *Our future expansion plans are subject to the risk of cost and time overrun, which may have a material adverse effect on our business, results of operations and financial condition.***

In the past we have experienced cost and time overrun in implementing our expansion plans. During the setting up of our manufacturing plant at Pithampur, Indore, our Company had scheduled to finish the construction of our plant and commence operations by July, 2011, however, due to logistical backlogs, the plant commenced in September, 2012. Due to the aforesaid delay, our company also incurred cost over-run of ₹ 28.5 million. Similarly, our future expansion plans may be subject to delays and other risks, including, among other things, contractor performance shortfalls, unforeseen engineering or technical problems, delays in procuring equipment, disputes with workers, force majeure events, unanticipated cost increases or changes in scope and delays in obtaining certain property rights and government approvals and consents, any of which could result in delays, cost overruns or the termination of the project and/or a breach of the financial covenants imposed by our lenders. While we may seek to minimize the risks from any unanticipated events, it cannot be assured that all potential delays can be mitigated and that we will be able to prevent any cost over-runs and any loss of profits resulting from such delays, shortfalls and disruptions.

- 30. *The acquisition of other companies, businesses or technologies in the future could result in operating difficulties, integration issues and other adverse consequences.***

As on the date of this RHP, as a Group, we have experienced only organic growth, which signifies expansion of our Company from its own (internally generated) resources, without resorting to acquisitions of other firms / companies / brands outside the group. We have not acquired any firms / companies / brands other than our erstwhile group

companies being Cal-India and AST Enzymes and the partnership firm, Messrs. Super Organic Research Laboratories. However, as part of our growth strategy, we intend to actively seek and evaluate potential acquisition targets. There can be no assurance that we will be able to identify suitable acquisition targets or strategic investment at acceptable cost and on commercially reasonable terms, obtain the finance, if required, to complete and support such acquisitions or investments, integrate such businesses or investments or that any business acquired or investment made will be profitable. Any future acquisitions may result in integration issues and employee retention problems. We may not be able to realize the benefits we might anticipate from any such acquisitions.

If we attempt to acquire foreign companies, we may not be able to satisfy certain Indian regulatory requirements for such acquisitions and may need prior approval from the RBI which we may not obtain or even if we obtain, the same may be subject to certain conditions. Further, foreign acquisitions also involve risks related to integration of operations across different cultures and languages, currency risks and the particular economic, political and regulatory risks associated with doing business in other countries. Any failure to achieve successful integration of such acquisitions or investments could have an adverse effect on our business, results of operations or financial condition.

31. ***There have been some instances of delays /incorrect filings in the past with certain statutory authorities. We have also received letters requesting for certain information/explanations from the RoC in the past. If the authorities impose monetary penalties on us or take certain punitive actions against our Company in relation to the same, our business, financial condition and results of operations could be adversely affected.***

We are required to comply with certain periodic filings with various statutory authorities. Following are the instances of key delays in making some of these filings:

Compliance under act/ statute/ regulations, etc.	Present status of compliance/ filing	Penalties imposed (₹)
Submission of Form FC-GPR to RBI	By a Compounding Order dated March 31, 2011, the application for compounding made by our Company pertaining to the delay in submission of Form FC-GPR to the RBI pursuant to the bonus issues made on March 15, 2007 and March 18, 2010 was allowed.	25,000
Expenditure towards settlement of claims	By a Compounding Order dated March 30, 2011, the application for compounding made by our Company pertaining to the non-filing of Form FC-TRS with the RBI pursuant to certain transfers was allowed.	25,000

Further to the above, in the past, there have been some instances of incorrect filings or delays in filing statutory forms with the RoC, which have subsequently been filed along with the payment of additional fees, as specified by RoC. In addition, we had received certain letters from the RoC in the years 2002 and 2003 requesting for certain information/explanations from us, which we have replied to and subsequently there has been no further update in this regard. Save and except as aforesaid, till date, there has been no amount of penalty levied on the Company for such delays/defaults. However, it cannot be assured that even in future no such penalty will be levied. Therefore, if the authorities impose monetary penalties on us or take certain punitive actions against our Company in relation to the same, our business, financial condition and results of operations could be adversely affected.

32. ***Our Company, its Promoters and others have entered into a Share Subscription and Shareholders Agreement dated June 22, 2012 with Kotak India Venture Fund I, Kotak Employees Investment Trust and Kotak India Venture (Offshore) Fund consisting of certain affirmative rights and covenants, and failure or delay in obtaining their consents could adversely affect our business and operations. These rights would cease to be exercisable on successful completion of this Offer.***

Our Company, its Promoters and others have entered into a Share Subscription and Shareholders Agreement dated June 22, 2012 (“**Agreement**”) with Kotak India Venture Fund I, Kotak Employees Investment Trust and Kotak India Venture (Offshore) Fund (collectively referred to as the “**Investors**”), which has been amended *vide* letter of amendment dated January 7, 2016. Under the said Agreement, Investors are entitled to certain affirmative rights and covenants which require our Company to obtain its prior approval, *inter alia*, for issue/allotment of further shares,

amendment / modification of the Memorandum and Articles of Association and infusion of fresh equity in subsidiaries. Further, the said Agreement also contains certain other restrictive provisions with respect to the Company and its Promoters. Failure or delay in obtaining such consents can have significant consequences on our capacity to expand and therefore adversely affect our business and operations. However, in terms of the Agreement, these rights shall terminate on successful completion of this Offer. For further details pertaining to the Agreement, please refer to the chapter titled “History and Certain Corporate Matters” beginning on page 188 of this Red Herring Prospectus.

33. *Our Company is in use and occupation of the premises on land bearing Plot No. H-17 in Nasik Industrial Area, within the village limits of Satpur, District Nasik. However, no lease has been executed for the same.*

A land bearing Plot No. H-17 in Nasik Industrial Area, within the village limits of Satpur, District Nasik (“**SORL Land**”) was licensed to the *erstwhile* Messrs. Super Organic Research Laboratories (“**SORL**”) by Maharashtra Industrial Development Corporation (“**MIDC**”) under a License Agreement dated February 7, 1989 (“**License Agreement**”). Further, since the business and assets of SORL were taken over by the Company in the year 1994, the SORL Land is currently occupied and used by our Company. In terms of the License Agreement, the SORL Land was licensed to SORL for a period of 2 years and the same was required to be developed and subsequently, a lease was to be granted to SORL by MIDC. However, no such lease has been granted, although the development on the SORL Land under the License Agreement has been duly completed and the manufacturing unit on the same is operative. The Company has been regularly paying the applicable rent to MIDC, which MIDC has been duly accepting. Till date of this RHP, the Company has not received any default notice or communication raising any sort of objection from MIDC pertaining to the SORL Land. However, it cannot be assured that there will be no objection raised by MIDC in future. Further, in the event, we receive any default notice from MIDC, we may be required to pay the penalty demanded or even vacate the SORL Land, in which case our business and financial condition may be adversely affected.

34. *Our Company has not executed a formal lease deed for its land at Jalna, Maharashtra with Maharashtra Industrial Development Corporation (“MIDC”) which could result in disruption of the Company’s rights as a lessor.*

Our Company had entered into a license agreement dated August 30, 2007 with MIDC pertaining to Plot No.BT – 32 in the Additional Jalna Phase – II (BT Park) Industrial Area (“**License Agreement**”). In terms of the said License Agreement, our Company was required to complete the development of the aforesaid land within a period of 3 years from the date of the license. By a letter dated October 21, 2011, MIDC had granted extension to the Company till November 25, 2013 for carrying out development of the aforesaid land, against payment of a sum of ₹ 6.17 million by way of additional premium following which a formal lease deed was to be executed between our Company and MIDC. While the development on the said land is now complete, our Company has not yet executed a lease deed with MIDC for the aforesaid land. However, in the absence of a formal lease deed, the title of our Company to the aforesaid land may be adversely affected and our Company may be exposed to disruption of its rights as a lessor.

Additionally, for development of the said land, our Company had executed a power of attorney in favour of a third party authorizing it to complete the construction on the said land. Further, vide an agreement dated January 13, 2016 entered into between our Company and the third party, the Company has agreed to reimburse the construction cost and services availed in relation to the same aggregating to ₹ 35.60 million from the proceeds of the sale of lease rights of our Company in the said land. In the event our Company is unsuccessful in selling its lease rights in the said land, we may have to incur the said expenditure from our internal accruals, thereby adversely affecting the financial position of our Company.

35. *One of our Promoters, Mr. Vasant Laxminarayan Rathi had received a show cause notice dated April 22, 2015 from the Office of the Regional Director (Northern Region), Ministry of Corporate Affairs (the “Regional Director”) under section 266G of the Companies Act, 1956 for possessing multiple DINs.*

The Regional Director had issued a show cause notice dated April 22, 2015 to one of our Promoters, Mr. Vasant Laxminarayan Rathi under section 266G of the Companies Act, 1956 for possessing multiple DINs, i.e. 01233447 and 01171026, in violation of the provisions of the section 266C of the Companies Act, 1956. While the show cause notice mentioned that Mr. Vasant Laxminarayan Rathi can file the compounding application and get the offence

compounded during the period of the notice, our Company and Mr. Vasant Laxminarayan Rathie filed Form RD-1 and Form DIR-5, respectively, with the MCA on June 18, 2015, for cancellation/surrender of one of the aforesaid DINs, i.e. 01171026. For further details, please refer to the section titled “Outstanding Litigations and Material Developments-Litigations Involving our Directors-Actions taken by Statutory and Regulatory Authorities” beginning on page 343 of this RHP. While we believe that there has been no material non-compliance in this regard, any adverse order, direction, further show cause notice or penalty in any such case by the Regional Director or any other regulatory authority in the future against the Company and/or Mr. Vasant Laxminarayan Rathie may have an adverse effect to that extent on our reputation and business.

36. *We had obtained certain insurance policies solely in the name of our Company instead of obtaining the same in the names of certain parties as co-payees, as required under our lease deeds.*

Our Company has executed two lease deeds dated May 26, 1994 and January 12, 2007 with Maharashtra Industrial Development Corporation (“MIDC”) for taking on lease the land bearing plot no. A-61/A-62 in the Sinnar Industrial Area, Nashik. Pursuant to the terms of the lease deeds, our Company is required to keep the aforesaid land and the buildings duly insured in the name of the Company jointly with MIDC. However, as on date of the DRHP, the insurance policies availed by us were solely in the name of our Company and therefore, we were in breach of the terms of the aforesaid lease deeds. Thereafter, our Company vide its letter dated February 23, 2016 had intimated MIDC, that the land bearing Plot Nos.A-61/A-62 and the buildings are insured only in the name of our Company, while the aforesaid lease deeds provide that the aforesaid land and buildings are required to be insured in the name of the Company jointly with MIDC and that the insurance policy had to be modified to that effect. Further, our Company vide the aforesaid letter had also intimated MIDC that it will obtain insurance of the aforesaid land and buildings in the joint names of our Company and MIDC during the next renewal of the relevant insurance policy which was due on May 1, 2016. Subsequently, although these insurance policies have been modified under the joint name of our Company and MIDC on May 12, 2016, it cannot be assured that there will be no objection raised and/or proceedings initiated against the Company by MIDC in future for the aforesaid breach of the the terms of the lease deeds. As on the date of this Red Herring Prospectus, we have not received any notice from MIDC with respect to such breach.

37. *Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.*

Our operations are subject to inherent risks and hazards which may adversely impact our profitability, such as breakdown, malfunctions, sub-standard performance or failures of manufacturing equipment, fire, third party liability claims, loss-in-transit for our products, accidents and natural disasters. At present our insurance policies provide for coverage against risk including loss of money, burglary, fire, marine cargo, etc. however, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time. While we maintain insurance coverage in amounts consistent with industry norms, our insurance policies do not cover all risks, specifically risks such as loss of profits, and are subject to exclusions and deductibles. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance had been availed. If we suffer a significant uninsured loss or if the insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected. Further, there is no assurance that the insurance premium payable by us will be commercially viable or justifiable. For further details on the insurance policies availed by us, please refer to the paragraph titled “Insurance” on page 170 in the chapter titled “Our Business” beginning on page 152 of this Red Herring Prospectus.

38. *If we are not able to obtain, renew or maintain our statutory and regulatory licenses, registrations and approvals required to operate our business or comply with the conditions specified therein or otherwise specified by various regulatory authorities, it may have a material adverse effect on our business, results of operations and financial condition.*

We require certain statutory and regulatory licenses, registrations and approvals to operate our business some of which are granted for a fixed period of time and need to be renewed from time to time. Further, in the future, we may also be required to obtain new licenses, registrations and approvals for any proposed operations, including any expansion of existing operations. There can be no assurance that the relevant authorities will renew such licenses,

registrations and approvals in a timely manner or at all. Further, these licenses, registrations, approvals and general permissions granted under applicable laws are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant licenses, approvals and registrations. If we are unable to renew, maintain or obtain the required registrations or approvals, it may result in the interruption of our operations and may have a material adverse effect on our revenues and operations. Failure by our Company to renew, maintain or obtain the required licenses or approvals, or cancellation, suspension, or revocation of any of the licenses, approvals and registrations may result in the interruption of our Company's operations and may have a material adverse effect on our business. For further details on the licenses obtained by our Company and licenses for which renewal applications have been made, please see the chapter titled "Government and Other Statutory Approvals" beginning on page 351 of this Red Herring Prospectus.

39. *We have certain contingent liabilities and our financial condition and profitability may be adversely affected if any of these contingent liabilities materialize.*

As on March 31, 2016, our contingent liabilities and commitments (to the extent not provided for) as disclosed in the notes to our Consolidated Financial Information, as restated aggregated to ₹198.37 million. The details of our contingent liabilities are as follows:

Particulars	As at March 31, 2016 (₹ in million)
a) Contingent liabilities	
i) Pertains to income tax demand/ matters on account of deductions/ disallowances for earlier years, pending for appeals consequent to order passed against the Company/ demands raised by the Income Tax Department under Income Tax Act, 1961. Amount paid there against and included under Annexure XVI 'Loans and advances' (March 31, 2016 - ₹ 24.00 million, March 31, 2015 - ₹ Rs. 16.00 million and March 31, 2014 - ₹ 4.00 million.)	170.97
ii) Pertains to excise duty and service tax demand raised by Commissioner of Central Excise, Customs and Service tax on account of inadmissible CENVAT credit, incorrect product classification and service tax levy on directors' remuneration for various periods.	23.16
iii) Possible liability arising for excise duty and service tax on account of observations for the earlier years through Excise Audit conducted by the excise authorities.	-
iv) Advanced Enzymes USA, Inc. had received written demands from clients for approximately USD 3.90 million, based on allegations that its products delivered to the clients did not conform to certain pre-agreed specifications. The company had been advised by the legal counsel that it is possible, but not probable that the claims would succeed and accordingly no provision for liability was recognised in the consolidated financial statements.	-
Total a)	194.13
b) Commitments	
Estimated amount of capital commitments remaining to be executed	4.24
Total b)	4.24
Grand Total (a+b)	198.37

If any of these contingent liabilities materialize, our results of operations and financial condition may be adversely affected. For further details of our contingent liabilities, see the chapter titled "Financial Statements" beginning on page 230 of this Red Herring Prospectus. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

40. ***Our Promoter, Mr. Chandrakant Laxminarayan Rathi has extended personal guarantees in relation to certain debt facilities availed by our Company. Revocation of any or all of these personal guarantees may adversely affect our business operations and financial condition.***

Our Promoter, Mr. Chandrakant Laxminarayan Rathi has extended personal guarantees in favour of certain banks with respect to various facilities availed by our Company from them. In the event any of these guarantees are revoked, our lenders may require us to furnish alternate guarantees or may demand a repayment of the outstanding amounts under the said facilities sanctioned or may even terminate the facilities sanctioned to us. There can be no assurance that our Company will be able to arrange such alternative guarantees in a timely manner or at all. If our lenders enforce these restrictive covenants or exercise their options under the relevant debt financing agreements, our operations and use of assets may be significantly hampered and lenders may demand the payment of the entire outstanding amount and this in turn may also affect our further borrowing abilities thereby adversely affecting our business and operations. For further details please see the chapter titled “Financial Statements” beginning on page 230 of this Red Herring Prospectus.

41. ***Our loan agreements with various lenders have several restrictive covenants and certain unconditional rights in favour of the lenders, which could influence our ability to expand, in turn affecting our business and results of operations.***

We have entered into agreements for short term and long term borrowings with certain lenders. As on March 31, 2016, an aggregate of ₹ 296.34 million as working capital facilities, ₹ 659.26 million as term loans and ₹ 8.01 million as vehicle loans, on a consolidated basis, was outstanding towards loans availed from banks. The credit facilities availed by our Company are secured by way of mortgage of fixed assets, hypothecation of current assets (both present and future), and personal guarantees given by our Promoter, Mr. Chandrakant Laxminarayan Rathi (to the extent of ₹ 434.52 million) and Mr. O.P. Singh, the managing director of one of our subsidiaries, Advanced Bio-Agro Tech Limited (to the extent of ₹ 1.82 million). In case we are not able to pay our dues in time, the same may amount to a default under the loan documentation and all the penal and termination provisions therein would get triggered and the loans granted to the Company may be recalled with penal interest. This could severely affect our operations and financial condition. In addition to the above, our loan documentation includes certain conditions and covenants that require us to obtain consents from the aforesaid banks prior to carrying out certain activities like entering into any amalgamation, demerger, merger and corporate reconstruction, changing our management and operating structure, making any fresh borrowings or creating fresh charges on assets, etc. Failure or delay in obtaining such consents can have significant consequences on our capacity to expand and therefore adversely affect our business and operations. Any failure to comply with the requirement to obtain a consent, or other condition or covenant under our financing agreements that is not waived by the lending banks or is not otherwise cured by us, may lead to a termination of our credit facilities, acceleration of all amounts due under the said credit facility, which may adversely affect our ability to conduct our business and operations or implement our business plans. Further, the said credit facilities can be renewed/enhanced/cancelled/suspended/reduced and the terms and conditions of the same can be altered by the lending banks, at their discretion. In the event, the lending banks refuse to renew / enhance the credit facilities and/or cancels / suspends / reduces the said credit facilities and/or alters the terms and conditions to the derogation of our Company, our existing operations as well as our future business prospects and financial condition may be severely affected.

42. ***Unsecured loans taken by our Company, the Promoters, Group Companies or associates can be recalled by the lenders at any time.***

In past, our Company has borrowed unsecured loans from time to time for its operational needs. While our Company currently does not have any outstanding unsecured loans, it may avail such loans in the future. In such cases, our Company may be required in such a case to repay the entirety of the unsecured loans together with accrued interest and other outstanding amounts payable in relation to the facility. Our Company may not be able to generate sufficient funds at short notice to be able to repay such loans and may resort to refinancing such loans at a higher rate of interest and on terms not favourable to it. Failure to repay unsecured loans in a timely manner may have a material adverse effect on our business, cash flows and financial condition. Our Promoters, Group Companies and associates may also have availed of unsecured borrowings which may be recalled by their lenders at any time. If any of lenders of these unsecured borrowings seek the accelerated repayment of any such loan, it may

have a material adverse effect on the business, cash flows and financial condition of the entity against which repayment is sought, which in turn may impact our reputation and consequently our business.

43. ***Our business is subject to a variety of safety, health and environmental laws, labour, and workplace related laws and regulations. Any failure on our part to comply with these applicable laws and regulations could have an adverse effect on our operations and financial condition.***

Our Company is subject to various central, state and local environmental and safety laws, concerning issues such as harm caused by air or wastewater emission and contamination. While we believe that our facilities are currently in compliance in all material respects with applicable environmental laws, legislations and regulatory requirements, additional costs and liabilities related to compliance with these laws and regulations may impact our business. Further, any changes in the applicable laws and regulations in the future may create substantial environmental compliance or remediation liabilities and costs, including monetary fines, criminal penalties on our Company's officers for violation of applicable laws, or imposition of restrictions on our Company's operations (which may include temporary suspension or closure of its operations). We may also, in the future, become involved in legal or regulatory proceedings, in relation to which we may be required to comply with more rigorous environmental or safety standards, or to incur significant capital and operating expenses and/or remedial costs. These factors may adversely affect our revenues and operations.

Since we need labour to run our manufacturing units, our Company is subject to variety of workplace related laws and regulations. We are required to maintain records and also file periodic returns in relation to the same. Although, we believe that we have complied with all the applicable laws and regulations, in the event of any breach of such laws and regulations, we may be subject to penal consequences which would adversely affect our operations and financial condition.

44. ***One of our Group Company has incurred losses in each of the previous three years and two of our Group Companies have incurred losses in the previous financial year. Sustained financial losses by our Group Companies may not be perceived positively by external parties such as customers, bankers, suppliers etc., which may affect our market perception, credibility, reputation and consequently, business operations.***

Our following Group Company has incurred losses in each of the previous three years:

(in ₹ million)

Name of the Company	FY 2015	FY 2014	FY 2013
Atharva Clean Energy Private Limited	(0.04)	(0.09)	(0.02)

Our following Group Companies have incurred losses in the previous financial year:

(in ₹ million)

Name of the Company	FY 2016	FY 2015	FY 2014
Chandrakant Rathi Innovations and Projects Private Limited	(18.92)	2.11	5.37
Atharva Green Ecotech LLP	(12.19)	1.48	3.74

If our Group Companies keep incurring sustained losses in the future, the same may not be perceived positively by external parties including customers, bankers, suppliers, etc., which may affect our market perception, credibility, reputation and consequently, business operations.

45. ***Some of the properties, including the land on which our manufacturing facilities and R&D centres in India and USA are located, are occupied by us on lease/leave and license basis. Disruption of our rights as licensee/ lessee or termination of the agreements with our licensors/ lessors would adversely impact our manufacturing and R&D operations and, consequently, our business.***

As on the date of this Red Herring Prospectus, 5 (five) of our manufacturing facilities and 4 (four) R&D facilities in India and USA are located on properties taken on leave and license / lease from various lessors / licensors. One of

our manufacturing facilities have been taken on long term lease for a period of 95 years and 1 (one) manufacturing facility has been taken on long term lease for a period of 30 (thirty) years from December 14, 2005. Both our manufacturing facilities in USA have been leased for a period of 6 (six) years from January 1, 2011 to December 31, 2016. One of our manufacturing facilities is taken on lease basis from the M.I.D.C., though no formal agreement has been executed for the same. However, our Company has been regularly paying the applicable rent to MIDC, which MIDC has been duly accepting. Our 4 (four) R&D facilities are on leave and license basis for 30 (thirty) to 60 (sixty) months. There can be no assurance that our Company will be able to successfully renew the said leave and license or lease agreements in a timely manner or at all. Further there can be no assurance that we will not face any disruption of our rights as a lessee/ licensee and that such leave and licence and lease agreements will not be terminated prematurely by the licensor/lessor. Any such non-renewal or early termination or any disruption of our rights as lessee / licensee may require us to vacate the premises and relocate to a new premises on terms that may not be favourable to us thereby adversely affecting our business, financial conditions and results of operations. For further details on the properties of our Company, please refer to the section titled “*Immovable Property*” appearing on page 171 under the chapter titled “Our Business” beginning on page 152 of this Red Herring Prospectus.

46. *Our Company has acquired / leased certain immovable properties from our Promoters and Promoter Group in the past.*

Our Company has acquired / leased certain immovable properties from our Promoters and Promoter Group in the past. For instance, one such transaction was the purchases of premises at Dhanlaxmi Industrial Estate by the Company from Mr. Vasant Laxminarayan Rathi, Mrs. Prabha Vasant Rathi and Mr. Chandrakant Laxminarayan Rathi (Promoters and Promoter group members) in September 2004 for a total consideration of ₹ 9.07 million. Further, Mr. Vasant Laxminarayan Rathi has leased office and warehouse premises located at 13591 Yorba Avenue, Chino, California 91710 to our step-down subsidiary, AST Enzymes. AST Enzymes has been paying a monthly lease rental of USD 4,500 to Mr. Vasant Laxminarayan Rathi for the same. Similarly, Mr. Vasant Laxminarayan Rathi is also a promoter of Rathi Property LLC that has leased office and warehouse premises located at 4880 Murrieta St., Chino CA 91710, USA to our step-down subsidiary, Cal-India. Cal-India has been paying a monthly lease rental of USD 11,097.49 to Rathi Property LLC for the same. Whilst, it is believed that all such transactions have been conducted on an arms-length basis, there can be no assurance that our Company could not have achieved more favourable terms had such transactions not been entered into with related parties. For further details, please see the chapter titled “Our Business” beginning on page 152 of this Red Herring Prospectus.

47. *Our Promoters and Promoter Group will continue to retain majority control over the Company after the Offer, which will allow them to influence the outcome of matters submitted to shareholders for approval.*

Upon completion of the Offer, our Promoters and Promoter Group, will continue to hold [●] % of the post-Offer Equity Share capital of the Company. As a result, our Promoters will have the ability to exercise significant influence over all matters requiring shareholders’ approval. Accordingly, our Promoters will continue to retain significant control, including being able to control the composition of our Board of Directors, determine decisions requiring simple or special majority voting of shareholders, relating to any sale of all or substantially all of our assets, timing and distribution of dividends and termination of appointment of our officers, and our other shareholders may be unable to affect the outcome of such voting. There can be no assurance that our Promoters will exercise their rights as shareholders to the benefit and best interests of our Company. Further, such control could delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company even if it is in our Company’s best interest. The interests of our Promoters could conflict with the interests of our other equity shareholders, and the Promoters could make decisions that materially and adversely affect your investment in the Equity Shares.

48. *Our Company has in the past entered into related party transactions and may continue to do so in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our Company’s financial condition and results of operations.*

As on March 31, 2016, we have entered into related party transactions with our Promoters, Promoter Group, Directors, Subsidiaries and Group Companies. Whilst these related party transactions have been disclosed in our financial statements as per AS-18, we cannot assure you that we may not have achieved more favourable terms had

such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. For further details please refer to the chapter titled 'Financial Statements' beginning on page 230 of this Red Herring Prospectus.

49. *Grants of stock options under our employee stock option plan may result in a charge to our profit and loss account and, to that extent, may adversely affect our financial condition.*

As on the date of this Red Herring Prospectus, no stock options have been granted to eligible employees under our Employee Stock Option Plan, 2015 ("ESOS 2015").

Under Indian GAAP, the grant of employee stock options results in a charge to our Company's profit and loss account equal to the intrinsic value (which will amortize over the vesting period of these stock options) based on the difference between the fair value of our Equity Shares determined at the date of grant and the exercise price. In addition to the impact on the profit and loss account, the exercise of vested stock options will dilute the interests of Equity Shareholders (as in the case of any issuance of Equity Shares). As and when our Company grants options under ESOS 2015, the impact of the same will be reflected in the financial statements of our Company.

50. *Our Promoters and some of our Directors have interests in our Company other than the reimbursement of expenses and normal remuneration or benefits. Any such interests may result in a conflict of interest, which may have an adverse effect on our business.*

Our Promoters and some of our Directors being Mr. Pradip Bhailal Shah, Mr. Mukund M. Kabra, Mrs. Savita C. Rathi and Mr. Ramesh Thakorlal Mehta may be deemed to be interested in our Company, in addition to regular remuneration or benefits and reimbursements of expenses, to the extent of Equity Shares held by them, their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company, and to the extent of sitting fee payable to them for attending each of our Board and Committee meetings. Further, our wholly-owned subsidiary Advanced Enzymes USA had availed USD 3 million from our Group Company, Rathi Property LLC and USD 17 million from our Promoter, Mr. Vasant Laxminarayan Rathi, aggregating to USD 20 million, and in turn, had issued promissory notes dated December 13, 2012 to Rathi Property LLC and Mr. Vasant Laxminarayan Rathi, carrying an interest rate of 3.5% per annum. The funds were utilised by Advanced Enzymes USA for repayment of certain other promissory notes, which were issued as a part of consideration for purchase of shares of Cal-India by Advanced Enzymes USA. Further, Advanced Enzymes USA has pledged its entire investment in Cal-India and AST Enzymes, with Rathi Property LLC and Mr. Vasant Laxminarayan Rathi, as security for repayment of the promissory notes. Also, our Promoter Mr. Vasant Laxminarayan Rathi and our Group Company Rathi Property LLC, have leased certain offices and warehouses to our step-down subsidiaries Cal-India and AST Enzymes. Therefore, some of the above interests may conflict with the duties of these persons as Promoters / Directors of the Company. For further details, please see the chapters titled "Our Management" and "Our Promoters and Promoter Group" beginning on pages 198 and 217, respectively of this RHP.

51. *We may face difficulties in implementing our strategies including our expansion and diversification plans of entering new geographical areas, development and commercialization of new products.*

We may face difficulties in implementing our strategies including our expansion and diversification plans of entering into new geographical areas and development and commercialization of new products due to various factors such as entry barriers, stringent rules and regulations, fierce competition in the new markets, inadequacy of funds for expansion, high cost of debt that may be required for expansion and diversification, etc. Implementation of our strategies may pose significant challenges to our administrative, financial and operational resources and additional risks that our Company may not be able to foresee. Failure to successfully implement some or all of our key strategic initiatives in an effective and timely manner may adversely affect our future business prospects. For further details on our business strategies, please see the chapter titled "Our Business" beginning on page 152 of this Red Herring Prospectus.

EXTERNAL RISK FACTORS

52. ***If we are unable to adapt to technological changes coupled with changes in market conditions, demands and requirements of our customers, or to identify and understand evolving industry preferences and manufacture new products to meet our customers' demands, our business and results of operations may be adversely affected.***

Our future success will depend in part on our ability to respond to technological advances and changes in market conditions, demands and the requirements of our customers and also changes in the businesses in which we operate, on a cost-effective and timely basis. Any advancements, changes or up gradation in the present technology being used by us may render the present technology obsolete and may require us to incur additional capital expenditure for upgrading our facilities and equipment so as to compete with our competitors on a global scale. To compete effectively in the industry, we must be able to develop new products to meet our customers' demand in a timely manner. In the event that we are not able to respond to such technological advancements or changes and demands of our customers in a timely manner, we may become less competitive thereby adversely affecting our business, results of operations and financial condition.

53. ***Our future fund requirements, in the form of further issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the Shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing Shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing Shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

54. ***There is no existing market for our Equity Shares and there can be no assurance that such a market will develop in the future to provide you with adequate liquidity. Further, an active trading market for the Equity Shares may not develop and the price of the Equity Shares may be volatile.***

Prior to this Offer, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained upon the completion of this Offer. Our Company, in consultation with the Selling Shareholders and the BRLMs, will determine the Offer Price. The Offer Price may be higher than the trading price of our Equity Shares following this Offer. As a result, investors may not be able to sell their Equity Shares at or above the Offer Price or at the time that they would like to sell. The trading price of the Equity Shares after the Offer may be subject to significant fluctuations in response to factors such as, variations in our results of operations, market conditions specific to the sectors in which we operate economic conditions of India and volatility of the BSE, NSE and securities markets elsewhere in the world.

55. ***The price of the Equity Shares may be highly volatile after the Offer.***

The price of the Equity Shares on the Indian stock exchanges may fluctuate after this Offer as a result of several factors, including: volatility in the Indian and global securities market; our operations and performance; performance of our competitors and the perception in the market about investments in the pharmaceutical industry; adverse media reports on us or the Indian pharmaceutical industry; changes in the estimates of our performance or recommendations by financial analysts; significant developments in India's economic liberalization and deregulation policies; and significant developments in India's fiscal and environmental regulations. There can be no assurance that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequently.

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

The Offer Price of the Equity Shares will be determined by our Company in consultation with the Selling Shareholders and the BRLMs through the Book Building Process. This price will be based on numerous factors, as described under the chapter titled "Basis for Offer Price" on page 123 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Offer Price.

57. ***Our BRLMs, namely ICICI Securities Limited and Axis Capital Limited, have handled 11 (eleven) public issues each, in the past 3 (three) years, of which 2 (two) issues and 4 (four) issues, respectively, closed below the issue price on the listing date.***

The Offer Price of the Equity Shares will be determined by our Company in consultation with the Selling Shareholders and the BRLMs through the Book Building Process which is dependent on various factors as disclosed under the chapter titled “Basis for Offer Price” on page 123 and may not be indicative of the market price for the Equity Shares after the Offer. Further, the price information of the past issues handled by the BRLMs to the Offer is not indicative of the demand for our Equity Shares and their market price in future. Further, the two merchant bankers associated with this Offer, namely ICICI Securities Limited and Axis Capital Limited, have handled 11 (eleven) public issues each in the past 3 (three) years (which includes the current financial year and two financial years preceding the current financial year), of which 2 (two) issues and 4 (four) issues, respectively, closed below the issue price on the listing date. There can be no assurance that the opening price upon listing of our Equity Shares will be equivalent to or more than the Offer Price. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price.

58. ***You will not be able to immediately sell any of our Equity Shares purchased through this Offer.***

The Equity Shares will be listed on the Stock Exchanges. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Investors’ book entry, or demat accounts with depository participants in India are expected to be credited within two working days of the date on which the Basis of Allotment is approved by the Designated Stock Exchange. Thereafter, upon receipt of final listing and trading approval from the Stock Exchanges, trading in the Equity Shares is expected to commence within approximately 6 Working Days of the Bid Closing date. There could be a failure or delay in listing the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval would restrict investors’ ability to dispose off their Equity Shares. We cannot assure you that the Equity Shares will be credited to investors’ demat accounts, or that trading in the Equity Shares will commence, within the time periods specified above. In addition, we would be liable to pay interest at the applicable rates if allotment is not made, funds from the relevant ASBA accounts are not unblocked or demat credits are not made to investors within the prescribed time periods.

59. ***You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.***

Under current Indian tax laws and regulations, capital gains arising from the sale of shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax, or STT, has been paid on the transaction. STT will be levied on and collected by the stock exchanges on which the Equity Shares are sold. Any gain realized on the sale of shares and/or held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and as a result of which no STT has been paid, will be subject to capital gains tax in India. Further, any gain realized on the sale of shares held for a period of 12 months or less will be subject to capital gains tax in India. Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of the shares, as the case may be.

60. ***The preparation requirement and presentation format of financial statements of our Company subsequent to the listing of its Equity Shares will not be in the same manner and same format as being prepared and presented for this Red Herring Prospectus.***

Our audited financial statements, are prepared in accordance with Indian GAAP and the applicable provisions of the Companies Act and the Restated Financial Information included in this Red Herring Prospectus are restated in accordance with the SEBI Regulations, as amended from time to time. In order to comply with the requirements applicable to public companies in India, subsequent to our Equity Shares getting successfully listed on the Stock Exchanges, we will be required to prepare our annual and interim financial statements in terms of the Companies Act and Indian GAAP or Ind AS, as applicable. The preparation requirement and the presentation format prescribed under the SEBI Regulations for Restated Financial Information differs in certain respects from Indian GAAP and Ind AS. Therefore, the preparation and presentation of our financial statements post-listing may be not be

comparable with, or may be substantially different from, the manner in which the Restated Financial Information is being disclosed in this Red Herring Prospectus.

- 61. *Public companies in India, including our Company, are required to prepare financial statements under Ind AS. The transition to Ind AS in India is very recent and still unclear and our Company may be negatively affected by such transition.***

Our financial statements, including the restated financial information included in this Red Herring Prospectus are prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP.

Public companies in India, including our Company, are required to prepare annual and interim financial statements under Indian Accounting Standard 101 “First-time Adoption of Indian Accounting Standards”. On January 2, 2015, the Ministry of Corporate Affairs, Government of India (“MCA”) announced the revised roadmap for the implementation of Ind AS for companies other than banking companies, insurance companies and non-banking finance companies through a press release. On February 16, 2015, the MCA issued the Companies (Indian Accounting Standards) Rules, 2015 (“Indian Accounting Standard Rules”) to be effective from April 1, 2015. The Indian Accounting Standard Rules provide for voluntary adoption of Ind AS by companies in financial year 2015 and, implementation of Ind AS will be applicable from April 1, 2016 to companies with a net worth of ₹ 5,000 million or more. Additionally, Ind AS differs in certain respects from IFRS and therefore financial statements prepared under Ind AS may be substantially different from financial statements prepared under IFRS.

There can be no assurance that the adoption of Ind AS by our Company will not adversely affect its results of operation or financial condition. Any failure to successfully adopt Ind AS in accordance with the prescribed timelines may have an adverse effect on the financial position and results of operation of our Company.

- 62. *Conditions in the Indian securities market may affect the price or liquidity of the Equity Shares.***

Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. These exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of our Equity Shares could be adversely affected.

- 63. *Any future issuance or sale of the Equity Shares by any existing shareholder could significantly affect the trading price of the Equity Shares.***

Any future issuance of Equity Shares by us or the disposal of Equity Shares by any of the major shareholders or the perception that such issuance or sales may occur may significantly affect the trading price of the Equity Shares. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber their Equity Shares.

- 64. *Change in environmental conditions may adversely affect our enzyme production, which may adversely impact our business and results of operations.***

Environmental issues, including climate changes impact and influence the global enzyme markets significantly, thereby also impacting us. Enzymes are affected by a number of environmental issues, both at the production and consumption level, which may adversely affect our enzyme production and the end product quality. This can in turn impact our business and results of operations.

- 65. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, financial condition, results of

operations, cash flows and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For instance, the Companies Act 2013, several provisions of which (including rules issued thereunder) have been recently notified, contains significant changes to Indian company law, including in relation to the issue of capital by companies, related party transactions, corporate governance, audit matters, shareholder class actions, restrictions on the number of layers of subsidiaries and corporate social responsibility. Compliance with such requirements may require significant financial and administrative resources, and any failure to comply may adversely affect our business and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. If a determination is made that we were in violation of such laws, rules or regulations, including conditions in the permits required for our operations, we may have to pay fines, modify or discontinue our operations, incur additional operating costs or make capital expenditures and our business, financial positions, results of operations or cash flows could be adversely affected. In addition, government schemes are a source of revenue for us. As a result, if the applicable tariffs specified in the agreements with government payers are revised downwards, or if the extent of coverage or limits are reduced, or if the payment terms are made longer, or if the reimbursement policies are changed in the agreements with the government payers, or if the government payers terminate their agreements with us, our number of new patient registrations will decline and our revenue and profitability could be negatively affected. For further details on the laws currently applicable to us please refer to the chapter titled “Key Industry Regulations and Policies” beginning on page 176 of this Red Herring Prospectus.

66. *A slowdown in economic growth in India and globally could cause our business to suffer.*

We are highly dependent on prevailing economic conditions in India and globally and our results of operations are significantly affected by factors influencing the Indian and global economy. A slowdown in the economy and per capita income could adversely affect our business, including our ability to grow our assets, the quality of our assets, and our ability to implement our strategy.

Factors that may adversely affect the Indian and global economy and per capita income, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing;
- prevailing income conditions among Indian and global consumers and corporations;
- volatility in, and actual or perceived trends in trading activity on, India’s principal stock exchanges;
- variations in exchange rates;
- changes in India’s tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India’s various neighbouring countries;
- prevailing regional or global economic conditions; and
- other significant regulatory or economic developments in or affecting India and other countries.

Any slowdown in the Indian or global economy and per capita income or in the growth of the sectors we participate in or future volatility in global commodity prices could adversely affect our borrowers and contractual counterparties. Specifically, it has been seen that in our industry, that general correlation exists between enzyme demand and per capita income, and therefore any slowdown in per capita income would adversely affect the Indian enzyme market, as well as our business. This in turn could adversely affect our business and financial performance and the price of our Equity Shares.

67. *Terrorist attacks, civil disturbances, wars, regional and communal conflicts, natural disasters, fuel shortages, epidemics and labour strikes in India and other regions in which we operate may have a material adverse effect on our Company’s business and on the market for securities in India.*

India has experienced civil and social unrest, terrorist attacks and other acts of violence in the last few years. Similarly, USA, from where we conduct some of our operations, has also experienced terrorist attacks in the past. If such tensions occur in India, USA or in the other jurisdictions in which we operate, leading to overall political and economic instability, it could adversely affect our business, future financial performance, cash flows and the market price of our Equity Shares. Additionally, any of these events could lower confidence in India's economy and create a perception that investments in companies with Indian operations involve a high degree of risk, which could have a material adverse effect on the price of the Equity Shares. Any discontinuation of business or loss of profits due to such extraneous factors may affect our operations. Further, our operations are dependent on our ability to protect our facilities and infrastructure from fire, explosions, floods, typhoons, earthquakes, power failures and other similar events. India has experienced natural disasters such as earthquakes, a tsunami, floods and droughts in the past few years. In addition, we can give no assurance that the insurance coverage we maintain for such risks will adequately compensate it for all damage and economic losses from natural or man-made catastrophes. The occurrence of a natural disaster of a significant scale could cause interruptions in our operations.

68. *The exit by the United Kingdom from the European Union has and could further impact global financial markets which could in turn adversely affect the trading prices of our Equity Shares.*

The exit by the United Kingdom from the European Union ("EU") may impact the trading prices of our Equity Shares after listing. As a result of the referendum held in the United Kingdom on June 23, 2016, which resulted in a vote in favour of the exit from the EU, the global financial markets have experienced significant volatility and may continue to experience volatility. In addition, the UK and member countries in the EU may face increased economic and financial volatility. Such economic and financial volatility may further impact global financial markets, which may adversely affect the trading prices of our Equity Shares.

Prominent Notes:

- Bidders are advised to contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of funds by electronic mode etc.**

All grievances relating to the Offer may be addressed to the Registrar to the Offer, giving full details such as name, address of the Bidder, number of Equity Shares applied for, the Bid amount paid on submission of the Bid cum Application Form and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant SCSB or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centres, as the case maybe, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker, Depository Participant, RTA, as the case may be, where the Bid was submitted, and the ASBA Account number in which the amount equivalent to the Bid Amount was blocked. All grievances relating to Bids submitted through the Registered Broker may be addressed to the Stock Exchanges with a copy to the Registrar.

- Public Offer of [●] Equity Shares of ₹ 10/- each of the Company for cash at a price of ₹ [●] per equity share (including a premium of ₹ [●] per Equity Share) aggregating upto ₹ [●] Million (the "Offer") comprising of a fresh issue of [●] Equity Shares by our Company aggregating upto ₹ 500 million and an offer for sale of upto 4,034,470 Equity Shares by the Selling Shareholders aggregating upto ₹ [●] Million. The Offer comprises a reservation of upto [●] Equity Shares aggregating upto ₹ 20 Million for subscription by Eligible Employees. The Offer shall constitute [●] % of the fully diluted post-offer paid up capital of our Company.
- Our Company's net worth as at March 31, 2016, as per our restated financial information on unconsolidated and consolidated basis was ₹ 1,748.44 million and ₹ 2,787.27 million respectively. Our Company's net worth as at

March 31, 2015, as per our restated financial information on unconsolidated and consolidated basis was ₹ 1,561.69 million and ₹ 2,100.34 million respectively. For further details, please refer to the section titled “Financial Information” beginning on page 230 of this Red Herring Prospectus.

4. The average cost of acquisition of Equity Shares by our Promoters, Mr. Vasant Laxminarayan Rathi and Mr. Chandrakant Laxminarayan Rathi is ₹ 4.22 and ₹ 75.13 per Equity Share, respectively.

For further details on the allotment of Equity Shares to our Promoters, please refer to the chapter titled “Capital Structure” beginning on page 82 of this Red Herring Prospectus.

5. Our Company has entered into various related party transactions in Fiscal 2015 and 2016. For details on related party transactions, please refer to the section titled “Financial Information” beginning on page 230 of this Red Herring Prospectus.
6. Except as disclosed in chapters titled “Financial Statements – Annexure XXXII – Consolidated Statement of Related party disclosures, as restated” “Financial Statements – Annexure XXX – Unconsolidated Statement of Related party disclosures, as restated” and “Our Promoters and Promoter Group”, “Our Group Companies” and “Capital Structure” on pages 264, 312, 217, 221 and 82 respectively of this Red Herring Prospectus, none of our Group Companies have any business or other interest, other than to the extent of Equity Shares held by them and to the extent of the benefits arising out of such shareholding.
7. The net asset value per Equity Share as per the restated unconsolidated and consolidated financial information as at March 31, 2016 is ₹ 80.31 and ₹ 128.03 respectively, and as at March 31, 2015 is ₹ 71.74 and ₹ 96.48, respectively.
8. Trading in Equity Shares of our Company for all investors shall be in dematerialised form only.
9. There has been no financing arrangement whereby the Promoter Group, our Directors and their relatives have financed the purchase, by any other person, of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of the Draft Red Herring Prospectus.
10. There has been no change in the name of our Company in the last 3 years immediately preceding the date of the Draft Red Herring Prospectus and this Red Herring Prospectus. For details in change of registered office, please see the chapter titled “History and Certain Corporate Matters” on page 188 of this Red Herring Prospectus.

SECTION IV – INTRODUCTION

SUMMARY OF INDUSTRY

*Neither we nor any other person connected with the Offer have independently verified the information contained in this section. In particular, we have relied on a report by The Freedonia Group, Inc. called “Industry Study #3104 World Enzymes January 2014” (“**Freedonia Report**”). Neither we nor any other person connected with the Offer has verified the information sourced from this Freedonia Report. Prospective investors are advised not to unduly rely on the information sourced from this report when making their investment decisions. Our Company, Directors, Promoters and Promoter Group of the Company are not related to The Freedonia Group, Inc. in any way.*

Introduction to Enzymes

Enzymes are natural protein molecules produced by all living organisms, functioning as highly specialized catalysts for accelerating the pace of chemical reactions, that is, they help a chemical reaction take place quickly and efficiently, without undergoing change themselves. Enzymes are responsible for many essential biochemical reactions and metabolic processes in microorganisms, plants, animals, and human beings, but are not alive. Enzymes are highly efficient in increasing the reaction rate of biochemical processes that otherwise proceed very slowly, or in some cases, not at all, and are also biodegradable. Moreover, with the positive environmental profile offered by enzymes, there exist opportunities in the form of substituting non-renewable chemicals with the intent of reducing energy consumption or decreasing the production of harmful wastes.

Enzymes are produced and harvested from living organisms such as plants, animals, bacteria and fungi. Enzymes are presently employed in a diverse array of applications that range from the manipulation of DNA in biotechnology research, to improving the softness of fabrics in the textile industry. Enzymes are used in a diverse range of applications, and therefore global demand for enzymes is influenced by a number of macroeconomic factors including the likes of GDP growth, manufacturing output, and per capita incomes. Based on the usage of the enzymes, the global enzyme market can be broadly classified into two segments, namely Industrial and Specialty. The Industrial enzymes are used in high volume and low value-added applications, whereas Specialty enzymes are used in low volume and high value-added applications. The Industrial enzyme markets include food and beverages, cleaning products (detergents), biofuel production, animal feed, textiles, leather, pulp and paper, starch processing, etc. The Specialty enzyme markets include pharmaceutical, research and biotechnology, diagnostics and biocatalysts.

Segment-wise distribution of the Global Enzyme Market

The global enzyme market stood at \$5.1 billion in 2012 of which industrial enzymes constituted ~\$3.6 billion, or ~71% of world demand, with the rest ~29% being contributed by specialty enzymes.

Going forward, the global enzyme demand is expected to experience broad-based growth led by strong demand across all enzyme types, with market growing by 6.3% every year to \$7.0 billion in 2017 from \$5.1 billion in 2012. The market is further expected to grow at a 5-year CAGR of 6.5% after 2017, reaching a size of \$9.5 billion by 2022. Through this period, the growth in the global enzyme demand is expected to be led by specialty enzymes, including diagnostic and research and biotechnology enzymes, as well as biocatalysts and increasing penetration of enzymes into their potential applications in developing countries. Moreover, falling costs of DNA manipulation and sequencing, will act as a demand driver allowing for rising use of enzymes in research and biotechnology and diagnostic applications. On the other hand, the industrial enzyme market will see modest growth as high growth in animal feed, food and beverage and cleaning products market will be partially offset by levelling off of grain-based biofuel production and challenging environment for various technical applications such as starch processing, textile and leather production. The animal feed and food & beverage enzymes will experience above-average growth in demand benefitting from the expansion of the middle class population in rapidly developing economies, which will fuel increased meat consumption and adoption of more western-style diets. Further, the environmental benefits of enzyme use, such as reduced wastewater production and energy use, provides room to further boost the industrial enzyme market.

The following table represents the key segments across Industrial and Specialty Enzymes, and the expected enzyme demand over the next few years.

WORLD ENZYME DEMAND BY MARKET (in USD Million)					
Market / Year	2002	2007	2012	2017	2022
Industrial Enzymes:					
Food & Beverage	570	940	1,320	1,865	2,555
Cleaning Product	530	740	920	1,245	1,690
Biofuel Production	90	290	515	555	640
Animal Feed	168	310	395	540	745
Other Industrial	362	420	480	555	670
Total Industrial Enzymes	1,720	2,700	3,630	4,760	6,300
Specialty Enzymes:					
Research & Biotechnology	380	543	815	1,180	1,720
Diagnostic	203	282	430	640	950
Other Specialty	97	175	255	370	530
Total Specialty Enzymes	680	1,000	1,500	2,190	3,200
World Enzyme Demand (Industrial and Specialty)	2,400	3,700	5,130	6,950	9,500

As can be seen from the above table, the share of Industrial Enzymes is expected to gradually reduce from ~70.8% in 2012 to 68.5% in 2017 to 66.3% in 2022, while the share of Specialty Enzymes is expected to gradually increase from ~29.2% in 2012 to ~31.5% in 2017 to ~33.7% in 2022, on account of the relatively stronger potential growth of Specialty Enzymes over the next few years.

Geographical distribution of the Global Enzyme Market

North America dominates the Global Enzyme market accounting for ~41.5% of the global enzyme demand in 2012, implying a market size of \$2.1 billion. Western Europe, Asia Pacific and other regional markets (which include Central & South America, Eastern Europe and Africa / Mideast) accounted for 21.2%, 21.6% and 15.7% of the Global Enzyme market in 2012. Between 2002 and 2012, the share of North America and Western Europe in the Global enzyme market has been gradually declining, while that of Asia Pacific and other regional markets including Central & South America, Eastern Europe and Africa / Mideast has been on an upswing. The fastest growth in industrial enzyme demand will occur in the world's developing countries, such as those of the Asia/Pacific region and Central and South America as these areas have not yet adopted the same level of technological development or enzyme use as have countries in North America and Western Europe, and consequently there remains a greater opportunity for market penetration to increase. This trend is expected to continue going forward, with Asia Pacific becoming the second largest enzyme market by 2017, and further outpacing Western Europe by 2022. However, even by 2022, North America shall continue to be the largest regional market, accounting for ~34.8% of the global enzyme demand, with the Asia Pacific region, Western Europe and other regional markets accounting for ~18.1%, ~29.2% and ~18.0% of the market size respectively. Demand for enzymes in the Eastern Europe is also expected to be above average.

WORLD ENZYME DEMAND BY REGION (in USD Million)					
Region / Year	2002	2007	2012	2017	2022
North America	1,065	1,576	2,130	2,630	3,310
Western Europe	645	910	1,090	1,390	1,715
Asia/Pacific	395	683	1,110	1,745	2,770
Other Regions:	295	531	800	1,185	1,705
- Central & South America	112	203	321	470	665
- Eastern Europe	105	175	245	350	490
- Africa/Mideast	78	153	234	365	550
World Enzyme Demand	2,400	3,700	5,130	6,950	9,500

Global Industrial Enzymes market

Industrial enzymes constitute the larger portion of the world enzyme demand accounting for ~\$3.6 billion, or ~70.8% in 2012. The global demand for industrial enzymes is expected to grow at a 5-year CAGR of 5.6% to reach ~\$4.8 billion in 2017 and 10-year CAGR of 5.7%, to reach a size of \$6.3 billion by 2022. The strongest demand for industrial enzymes shall be experienced in the sub-segments of food and beverages and animal feed.

On a regional basis, Asia Pacific and Central & South America will achieve the fastest growth for Industrial enzymes, going forward till 2022. These areas have generally not experienced the same degree of enzyme technology penetration as is found in North America and Europe, and consequently will realize stronger growth as continued industrialization and rising per capita incomes favour greater enzyme consumption.

The following table represents the key sub-segments across Industrial Enzymes and their expected growth rates across various geographies over the next few years.

WORLD INDUSTRIAL ENZYME DEMAND BY MARKET & REGION (in USD Million)					
Item / Year	2002	2007	2012	2017	2022
By Market:					
I) Food & Beverage	570	940	1,320	1,865	2,555
II) Cleaning Product	530	740	920	1,245	1,690
III) Biofuel Production	90	290	515	555	640
IV) Animal Feed	168	310	395	540	745
V) Other Markets	362	420	480	555	670
By Region:					
North America	720	1,095	1,440	1,670	1,955
Western Europe	473	655	725	875	1,010
Asia / Pacific	291	520	840	1,320	2,100
Other Regions:	236	430	625	895	1,235
- Central & South America	92	172	267	385	540
- Eastern Europe	85	143	193	270	360
- Africa/Mideast	59	115	165	240	335
World Industrial Enzyme Demand	1,720	2,700	3,630	4,760	6,300
World Enzyme Demand	2,400	3,700	5,130	6,950	9,500
Industrial Enzymes %	71.7%	73.0%	70.8%	68.5%	66.3%

Global Specialty Enzymes market

World demand for Specialty enzymes will grow a strong 7.9% per annum to \$2.2 billion in 2017. Growth will be fairly robust in all markets, with the fastest gains in the diagnostics and research and biotechnology markets. The ongoing demographic shift toward older populaces in developed countries will also support higher diagnostic enzyme demand. Research and biotechnology will continue to benefit from robust investment in the biotechnology sector at both the corporate and national levels. On a geographic basis, growth will be in Central and South America, and the Asia / Pacific and Africa / Mideast regions as strong economic growth and rising disposable incomes boost demand for improved health care, and as pharmaceutical and other fine chemical companies increasingly turn to Brazil, China and India for contract manufacturing solutions.

WORLD SPECIALTY ENZYME DEMAND BY MARKET & REGION (in USD Million)					
Item / Year	2002	2007	2012	2017	2022
By Market:					
I) Research & Biotechnology	380	543	815	1,180	1,720
II) Diagnostics	203	282	430	640	950

WORLD SPECIALTY ENZYME DEMAND BY MARKET & REGION (in USD Million)					
Item / Year	2002	2007	2012	2017	2022
III) Others	97	175	255	370	530
By Region:					
North America	345	481	690	960	1,355
Western Europe	172	255	365	515	705
Asia / Pacific	104	163	270	425	670
Other Regions	59	101	175	290	470
- Central & South America	20	31	54	85	125
- Eastern Europe	20	32	52	80	130
- Africa/Mideast	19	38	69	125	215
World Specialty Enzyme Demand	680	1,000	1,500	2,190	3,200
World Enzyme Demand	2,400	3,700	5,130	6,950	9,500
Specialty Enzymes %	28.3%	27.0%	29.2%	31.5%	33.7%

Type-wise distribution of the Global Enzyme Market

One of the common methods of classifying enzymes is based on the kind of substance (i.e. substrate) that they operate upon. Some of the most common include proteases which break down proteins, cellulases which break down cellulose, lipases which split fats (lipids) into glycerol and fatty acids, and amylases which break down starch into simple sugars.

The most common and commercially significant enzyme classes include the carbohydrases, proteases, polymerases/nucleases and lipases. Additional prominent enzyme types include catalases, laccases, oxidases and phytases. Carbohydrases may be further broken down into amylases (including alpha and beta amylases, but not glucoamylases), cellulases (which also include the hemicellulases such as the xylanases and beta glucanases), and other carbohydrases (for example, galacto- and glucosidases, glucoamylases, mannanases, pectinases and pullulanases, among others). Glucose isomerases are also considered to be a type of carbohydrase. While proteases may be further broken down based on their choice of substrate or their provenance, for the purposes of this study they will be grouped together in a single category. Polymerases and nucleases have been grouped together, as they both work on nucleic acid polymers such as ribonucleic acid (RNA) and deoxyribonucleic acid (DNA), and are commonly used in the same markets.

Demand for enzymes is forecast to increase 6.3 percent per year to \$7.0 billion in 2017, aided by rapid growth in key markets, as well as the introduction of new, higher-value products. This will include both new versions of existing products such as amylases and proteases that have been optimized for specific applications, and new enzyme types whose potential has yet to be fully explored. Polymerases and nucleases will achieve the fastest growth due to the growing interest of pharmaceutical companies in using biotechnology to bring new drugs to market, as well as the rapid development of new diagnostic tests that target DNA and RNA substrates. Other enzymes will also offer some of the best opportunities for growth through 2017, helped by strong increases in phytase enzymes for animal feed applications, the market development of sulfatases and other enzymes for enzyme replacement therapy, and continued expansion of the biocatalyst market. Good market opportunities will also exist in carbohydrases due to strong growth in most industrial applications.

Carbohydrases will continue to represent the largest single category of enzymes, supported by the large fuel ethanol and starch processing markets, as well as applications in food and beverages, textiles and pharmaceuticals. Proteases, the second largest enzyme category, will continue to lose market share as the cleaning product, dairy and leather markets have reached maturity and competitive pricing pressures remain strong.

WORLD ENZYME DEMAND BY TYPE (in USD Million)					
Item / Year	2002	2007	2012	2017	2022
World Gross Domestic Product (bil 20011\$)	58,060	72,950	83,320	100,700	122,300
\$ enzymes/mil \$ GDP	41	51	62	69	78
World Enzyme Demand					
By Type:					

Carbohydrases	775	1,295	1,835	2,340	3,060
Proteases	765	1,050	1,315	1,760	2,345
Polymerases & Nucleases	250	370	555	840	1,270
Lipases	114	187	255	345	460
Phytases	79	178	210	300	400
Other Enzymes	282	435	685	950	1,355
World Enzyme Demand	2,400	3,700	5,130	6,950	9,500

North American Enzyme Market:

North America is the largest regional enzyme market globally, accounting for over 40 percent of world demand in 2012. Enzyme demand in North America is heavily concentrated in the United States, which alone accounted for 90 percent of regional demand in 2012. Other promising markets can be found in Canada and Mexico as well, with demand expected to increase in Canada above the regional average, as strong growth in specialty enzymes drives gains. Overall, enzyme demand in North America will advance 4.3 percent per year to over \$2.6 billion in 2017. While advances in specialty enzymes will help drive strong overall market growth, enzyme demand will be restrained by the relatively mature nature of most North American industrial enzyme markets, with the maturation of the grain-based ethanol biofuel production market in the US contributing to a significant portion of the slower growth.

The United States is the largest consumer of enzymes in the world, accounting for over 37 percent of the global and 90 percent of the regional demand in 2012. All enzyme markets are found in the US due to the diversity of its advanced economy. Easy access to capital and a business climate that favors both constant productivity enhancements and cost reductions also make it a natural location for the introduction of new applications. Going forward, enzyme demand in the US will advance 4.2 percent annually to \$2.4 billion in 2017, as strong growth in specialty enzymes offsets slower growth in biofuel production and maturity in most industrial enzyme markets. Biofuel production enzymes, in particular, will experience much slower advances in demand as the industry matures and future increases in grain-based ethanol consumption mandated under federal law are lower in percentage terms than in years past. Most enzyme types will experience moderate to strong growth, with cellulases doing particularly well due to the development of the cellulosic ethanol industry. The largest portion of enzyme demand in the US is accounted for by the industrial enzyme segment, which reached \$1.3 billion in 2012. Industrial enzymes include a wide variety of markets such as animal feed, cleaning products (detergents), cosmetics and toiletries, ethanol production, food and beverages, oilfield chemicals, pulp and paper, starch processing, and textiles and leather. Several of these markets have reached maturity in the United States as the use of enzymes has become standard practice. Some industries, such as textiles and leather, are facing declines as production has shifted to countries with lower labor costs such as China and India. The rest of enzyme demand in the US is accounted for by the specialty enzyme segment, which reached \$635 Million in 2012. Demand has increased rapidly in recent years as the continued introduction of new drugs to treat lysosomal storage disorders and the explosive growth in the use of botulinum toxin for cosmetic procedures have resulted in pharmaceutical enzyme demand expanding at a double-digit annual pace between 2002 and 2012. However, growth moderated significantly during the country's long recession as consumers cut discretionary spending on cosmetic procedures and many of the newest enzyme replacement therapy drugs rapidly reached patient saturation in the US. Strong growth in US pharmaceutical shipments has also contributed to rapid gains in research and biotechnology enzymes as companies have increasingly turned to biologically-derived compounds to fill their new drug pipelines. Diagnostic enzyme growth has also been strong in recent years as new diagnostic tests increasingly use polymerases and nucleases to check for a variety of factors

NORTH AMERICA : ENZYME DEMAND BY TYPE & MARKET (in USD Million)					
Item / Year	2002	2007	2015	2017	2022
North America Enzyme Demand					
By Type:					
1) Carbohydrases	387	628	904	1017	1160
Amylases	145	255	355	405	415
Cellulases	52	65	79	102	250
Other Carbohydrases	188	308	470	510	496
2) Proteases	276	365	410	495	590
3) Polymerases & Nucleases	200	271	395	561	790
4) Lipases	46	73	96	118	150

5) Phytases	27	46	62	90	105
6) Other Enzymes	129	193	263	349	515
By Market:					
Industrial Enzymes	720	1,095	1,440	1,670	1,955
- Food & Beverage	197	276	355	445	545
- Cleaning Product	177	264	280	350	440
- Biofuel Production	84	261	465	485	539
- Animal Feed	43	71	92	123	148
- Other Industrial	219	223	248	267	283
Specialty Enzymes	5	9	20	38	66
- Research & Biotechnology	198	264	391	545	775
- Diagnostics	102	136	196	275	387
- Other Specialty	45	81	103	140	193
% United States	90.1%	90.4%	90.1%	89.5%	89.4%
North America Enzyme Demand	1,065	1,576	2,130	2,630	3,310

Western Europe Enzyme Market:

Western Europe is the second largest market for enzymes behind North America, accounting for \$1.1 billion or more than 20 percent of global demand in 2012. In Western Europe, six countries namely Germany, France, United Kingdom, Italy, Netherlands and Spain collectively account for about 80 percent of the region's demand. Enzyme demand in Western Europe will rise 5.8 percent per year to \$1.4 billion in 2017. Growth in industrial enzyme demand will generally be restrained by mature markets and weak economic performance as many West European countries struggle with the challenge of recovering from the European debt crisis. Additionally, the ongoing shift in the manufacturing base of West European companies toward those lower labor cost countries in the east of the European Union will have a corresponding negative impact on industrial enzyme demand. Specialty enzymes will continue to grow at a much faster rate than industrial enzymes, further reflecting the region's manufacturing woes. Diagnostic and research and biotechnology enzymes will achieve the fastest gains as advances in diagnostic tests afforded by the drop in DNA sequencing costs will lead to an expansion in testing for agricultural, food and medical applications, and the region's large pharmaceutical companies continue to boost research and development spending on biologics to expand their new drug pipelines. However, the pace of advances will moderate as the market continues to mature in industrial enzymes, biofuel production and food and beverages will be the fastest growing markets, with the animal feed market also experiencing healthy gains. Biofuel production will benefit from EU efforts to reduce greenhouse gas emissions by requiring certain minimum amounts of renewable content in fuels and other forms of energy. Increasing food and beverage enzyme demand will reflect the continued innovation and development of new products, particularly as food companies continue to turn to enzymes to replace other artificial additives in foods. Following challenging market conditions amid the region's deep recession in 2009, animal feed enzyme demand will improve through 2017. However, market maturity and strong competition will limit advances

WESTERN EUROPE : ENZYME DEMAND BY TYPE & MARKET (in USD Million)					
Item / Year	2002	2007	2015	2017	2022
Western Europe Enzyme Demand					
By Type:					
1) Carbohydrases	167	255	300	375	440
- Amylases	82	130	150	190	205
- Cellulases	42	62	72	90	125
- Other Carbohydrases	43	63	78	95	110
2) Proteases	247	295	310	370	425
3) Polymerases & Nucleases	92	135	193	285	410
4) Lipases	33	50	60	75	90
5) Phytases	29	69	64	82	95
6) Other Enzymes	77	106	163	203	255
By Market:					
Industrial Enzymes	473	655	725	875	1,010

- Food & Beverage	141	215	280	350	405
- Cleaning Product	206	240	240	277	315
- Biofuel Production	2	16	28	38	47
- Animal Feed	69	125	130	159	185
- Other Industrial	55	59	47	51	58
Specialty Enzymes	172	255	365	515	705
- Research & Biotechnology	92	135	190	269	370
- Diagnostics	48	64	95	133	152
- Other Specialty	32	56	80	113	152
% Western Europe	26.9%	24.6%	21.1%	20.0%	18.1%
World Enzyme Demand	2,400	3,700	5,130	6,950	9,500

Asia Pacific Enzyme Market:

The Asia/Pacific region is the second largest regional consumer of enzymes at \$1.2 billion in 2012, having surpassed Western Europe with two countries, China and Japan accounting for almost for 70 percent of global demand. The majority of the region's demand is accounted for by China and Japan, reflecting the size and strength of their economies. However, economic liberalization in India has rapidly expanded enzyme demand there as well. Despite the Asia/Pacific region's large market size relative to the three smaller regions, rapid growth in both China and India will help drive the region's growth at a pace comparable to that in Central and South America and the Africa/Mideast region. Through 2017, demand will rise 10 percent annually to \$1.7 billion. Diagnostics will realize the fastest growth (from a relatively small base), while animal feed, research and biotechnology, and food and beverages will rise at a double digit annual pace. Industrial enzymes constituted nearly three quarters of enzyme demand in the Asia/Pacific region in 2012, with the food and beverage and cleaning product (detergent) markets accounting for the majority of this demand. The shift of textile and leather production from developed nations in North America and Western Europe into the region over the past decade has also boosted the market for textile and leather enzymes. Diagnostic enzymes will experience the fastest growth as rising per capita incomes in developing countries help drive 177 expanded demand for health care. Animal feed enzymes, while still a small market, are also expected to achieve rapid advances as rising regional per capita meat consumption boosts demand for poultry and swine. Other industrial enzyme markets that offer growth opportunities in the region include food and beverage, starch processing, pulp and paper processing, personal care products, and oilfield chemicals. Specialty enzymes will continue their strong growth, led by diagnostic and research and biotechnology enzymes. Rising demand for medical care and an increased focus on food quality in rapidly developing economies will drive advances in diagnostic enzymes. Research and biotechnology enzyme demand gains will reflect the ongoing trend of chemical companies establishing research and technology centers in China and India in an effort to enable new product development close to rapidly expanding manufacturing operations. Increased pharmaceutical and other fine chemical production in the region will also underpin strong gains in biocatalyst enzyme demand. Advances in pharmaceutical enzymes, in contrast, will moderate significantly as the development of generic versions of some existing drugs puts downward pressure on average prices, and the high cost of most enzyme replacement therapy pharmaceuticals remains out of reach for much of the region.

ASIA PACIFIC : ENZYME DEMAND BY TYPE & MARKET (in USD Million)					
Item / Year	2002	2007	2015	2017	2022
Asia Pacific Enzyme Demand					
By Type:					
1) Carbohydrases	127	235	375	570	925
- Amylases	60	120	190	300	450
- Cellulases	27	50	80	120	245
- Other Carbohydrases	40	65	105	150	230
2) Proteases	132	205	325	520	815
3) Polymerases & Nucleases	60	92	150	245	400
4) Lipases	21	37	58	90	135
5) Phytases	15	37	50	80	140
6) Other Enzymes	40	77	152	240	355
By Market:					
Industrial Enzymes	291	520	840	1,320	2,100
- Food & Beverage	111	218	360	595	940

- Cleaning Product	83	122	217	360	575
- Biofuel Production	3	10	15	20	33
- Animal Feed	36	68	103	160	285
- Other Industrial	60	102	145	185	267
Specialty Enzymes	104	163	270	425	670
- Research & Biotechnology	58	92	150	228	355
- Diagnostics	32	45	75	122	197
- Other Specialty	14	26	45	75	118
% Asia Pacific	16.5%	18.5%	21.6%	25.1%	29.2%
World Enzyme Demand	2,400	3,700	5,130	6,950	9,500

Indian market for Enzymes

Though, the market for enzymes in India is relatively small US\$ 105 Million in 2012, but will be the fastest growing in the world through 2017. Advances will average more than 10% per year through 2017, driving demand to \$173 Million. As with most other markets in the Asia / Pacific region, demand is concentrated in industrial enzymes. However, the rapid development of India's pharmaceutical and chemical industry is starting to change this, and specialty enzyme demand will outpace industrial enzyme demand going forward.

Enzyme demand in India is concentrated in industrial enzymes, particularly the cleaning product (detergent), food and beverage, and textile and leather markets. However, even within these industries, enzyme usage rates are significantly below the developed economies of Japan, North America and Western Europe. To a large extent, this can be traced to the government policies that have made it disadvantageous for companies to grow above a certain size, and restricted access to foreign capital for modernization and productivity enhancements. Consequently, smaller companies have lacked the assets and financial resources to modernize their operations with the newer, more efficient technologies that make greater use of enzymes. As the economy is slowly opened to increased foreign direct investment, enzyme usage rates should continue to improve.

In specialty enzymes, around half the demand is in the Research and Biotechnology space. Strong growth will also be seen in research and biotechnology as the government seeks to promote development of the biotechnology sector to showcase the country's technological prowess, and Indian pharmaceutical and biotechnology companies increasingly seek to make inroads into the developed markets of the United States, the European Union and Japan by investing in advanced technologies. This same trend will also benefit the biocatalysis market.

INDIA : ENZYME DEMAND BY TYPE & MARKET (in USD Million)					
Item / Year	2002	2007	2015	2017	2022
India Enzyme Demand					
By Type:					
1) Carbohydrases	12	20	34	52	80
2) Proteases	10	21	39	65	100
3) Other Enzymes	9	15	32	56	99
By Market:					
Industrial Enzymes	26	47	85	135	213
- Food & Beverage	8	15	24	40	69
- Cleaning Product	6	14	37	62	95
- Other Industrial	12	18	24	33	49
Specialty Enzymes	5	9	20	38	66
Total India Enzyme Demand	31	56	105	173	279
% of India Enzyme Market contributed by Industrial Enzymes	83.3%	83.9%	80.9%	78%	76.3%
Asia / Pacific Enzyme Demand	395	683	1,110	1,745	2,770
% of India Enzyme Demand to the Asia / Pacific Enzyme Demand	7.8%	8.2%	9.5%	9.9%	10.1%

SUMMARY OF BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled “Forward-Looking Statements” beginning on page 18 of this RHP, for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

The financial information used in this section, unless otherwise stated, is derived from our Consolidated Financial Information, prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this RHP, including the information contained in the sections titled “Risk Factors” and “Financial Information” beginning on pages 19 and 230, respectively.

OVERVIEW

We are the largest Indian enzyme company, engaged in the research and development, manufacturing and marketing of 400+ proprietary products developed from 60 indigenous enzymes.

Having more than two decades of fermentation experience in the production of enzymes, we rank among the top 15 global companies in terms of enzyme sales, and have the second highest market share domestically, next only to the world’s largest enzyme company Novozymes. We operate in two primary business verticals namely Healthcare & Nutrition (human and animal) and Bio-Processing (food and non-food). By following critical industry trends, we focus on ensuring that our enzyme products are relevant, helping customers to meet the evolving market demands. We are a fully integrated enzyme manufacturing company driven by extensive focus on research and development (“R&D”) of various enzymes, enzyme blends, enzyme products and customized enzyme solutions. Our experienced and qualified R&D team strives to develop creative, cost-effective unique and innovative solutions, thereby enabling our customers to develop superior products and processes. We believe that our products assist our customers in making most of their resources, optimizing their processes, improving their product quality, saving their time and money while also mitigating the impact on the environment. We offer these products to our global clientele of more than 700 customers spanning presence across 50 countries worldwide. We supply these value-added and eco-safe enzyme products to diverse end-user industries like human healthcare and nutrition, animal nutrition, food processing, baking, dairy and cheese processing, fruit and vegetable processing, cereal extraction, brewing, grain processing, protein processing, oil and fat processing, biomass processing, textile processing, leather processing, paper & pulp processing, bio-fuels, bio-catalysis etc. Although we have the capability to manufacture enzymes using all the four natural origins viz. plant, animal, bacterial and fungal, our major focus is on developing enzymes through microbial fermentation.

Our Promoters Mr. Chandrakant Laxminarayan Rathi and Mr. Vasant Laxminarayan Rathi have a cumulative experience of more than seven decades in the global enzyme industry and have contributed widely in our Company’s success and growth. Under their leadership and guidance, we have been successful in creating a strong footing in the existing markets as well as expanding our presence in new and unexplored markets. Our Promoters’ knowledge and understanding of the industry has led us to win several awards and recognitions. We were recipients of the “Fastest Growing mid-sized companies” award organized by Inc. India in the year 2013. In 2014, our Company was awarded the Bio-excellence award for ‘Best Industrial Biotech Company’ by the department of Information Technology, Biotechnology and Science & Technology, Government of Karnataka. We were also awarded the ‘Most Innovative Exporter’ award organized by Dun and Bradstreet in the year 2012, ‘Bio-Excellence’ award instituted by the Department of Information Technology, Biotechnology and Science and Technology, Government of Karnataka in the Industrial Biotech Sector in the year 2010, and the ‘Emerging India Awards 2010’ for Life science-Pharmaceuticals and Chemicals segment organized by ICICI Bank – Business Banking and CNBC TV18. Further, we have been recognized as a “Star Export House” by Director General of Foreign Trade.

We are a fully integrated enzyme manufacturing company driven by extensive focus on R&D of various enzymes, enzyme blends, enzyme products and customized enzyme solutions. Our experienced and qualified R&D team consists of more than 55 members comprising of scientists, microbiologists, engineers, food technologists, biotechnologists etc. We have four

R&D facilities, of which two are located at Thane, and one each at Sinnar and Chino, California. In Fiscals 2016, 2015 and 2014, our Company incurred ₹ 81.76 million, ₹ 91.31 million and ₹ 81.27 million respectively towards R&D activities on an unconsolidated basis aggregating to 5.84%, 7.18%, and 5.94% respectively of our unconsolidated total revenues during these periods. Our persistent R&D efforts have enabled us to continuously develop new and innovative enzyme products and customised blends for various applications for our customers. As on the date of this RHP, 13 (thirteen) patents have been registered in its name and applications for registration of 4 (four) patents are pending before the relevant authorities. Additionally, we have filed 11 food enzymes dossiers with European Food Safety Authority (“EFSA”) for marketing authorizations in Europe. Further, our Company has 128 (one hundred and twenty-eight) trademarks registered in its name and applications for registration of 14 (fourteen) trademarks are pending before the relevant authorities. Moreover, one of our subsidiaries, Cal-India has 44 (forty-four) trademarks registered in its name and registration of 1 (one) trademark is pending before the relevant authorities. Our Company also has 6 (six) copyrights registered in its name and registration of 2 (two) copyrights is pending before the relevant authorities.

Our six geographically-spread and accredited manufacturing facilities enable us to produce a wide range of products and help cater to a diverse set of industries globally. These facilities are flexible and multi-purpose in nature, capable of developing quality enzyme products and solutions with varying batch sizes, customised to meet our clients’ requirements, while adhering to strict controlled processes and allowing for complete traceability of our products. Four of these are located in India which consist of two integrated fermentation, recovery & formulation facilities at Sinnar (Nashik, Maharashtra, India) and Pithampur (Dhar, Madhya Pradesh, India), one extraction and recovery facility at Satpur (Nashik, Maharashtra, India), and one blending, mixing and formulation facility at Vashind (Thane, Maharashtra, India). Two blending, mixing and formulation facilities are located outside of India at Chino (California, United States). Our domestic and international facilities have been approved / certified by various regulators / certifying agencies. We have received “Indian FDA” approval for several of our products as well as other global standard certifications such as “HALAL”, “Kosher”, “NPOP”, “GOTS” etc. Most of our key clients have audited and approved our facilities and manufacturing processes, which has helped us to establish our reputation and reliability as a supplier of quality enzyme products and customized enzyme solutions, and enabled us to receive repeat business as well as attract new customers.

We have a de-risked business model having diversified client base with our top 10 customers accounting for 41.48% of our total revenues on consolidated basis for the fiscal year ended March 31, 2016. Some of our customers include Sanofi India, Cipla, Ipca Laboratories, Alkem Laboratories, and Emcure Pharmaceuticals. Both domestic and international markets are well serviced by our 55+ dedicated sales & marketing team.

US is an important focus market for us which contributes to a major portion of our international revenues. We primarily operate in the Healthcare and Nutrition vertical in US, and are engaged in providing proprietary and customised enzyme blends, mainly to the nutraceutical industry. Further, we also actively cater to the animal nutrition, food processing and non-food processing verticals in the US market. In the year 2012, we have also launched our own branded enzyme supplements in the US, offering healthcare professionals and consumers a natural therapeutic alternative for preventive care and health using high quality systemic and digestive enzyme supplements. We market these branded supplements through multiple channels including retail stores, online as well as through medical professionals.

Our restated consolidated revenue from operations increased from ₹ 1,717.41 million in Fiscal 2012 to ₹ 2,937.62 million in Fiscal 2016, representing a CAGR of 14.36%. Our restated consolidated EBITDA increased from ₹ 622.80 million in Fiscal 2012 to ₹ 1,382.32 million in Fiscal 2016, representing a CAGR of 22.06%. Our restated consolidated profit after tax increased from ₹ 333.36 million to ₹ 784.35 million during the same period at a CAGR of 23.85%. We have been a consistent profit making and dividend paying Company since 1997.

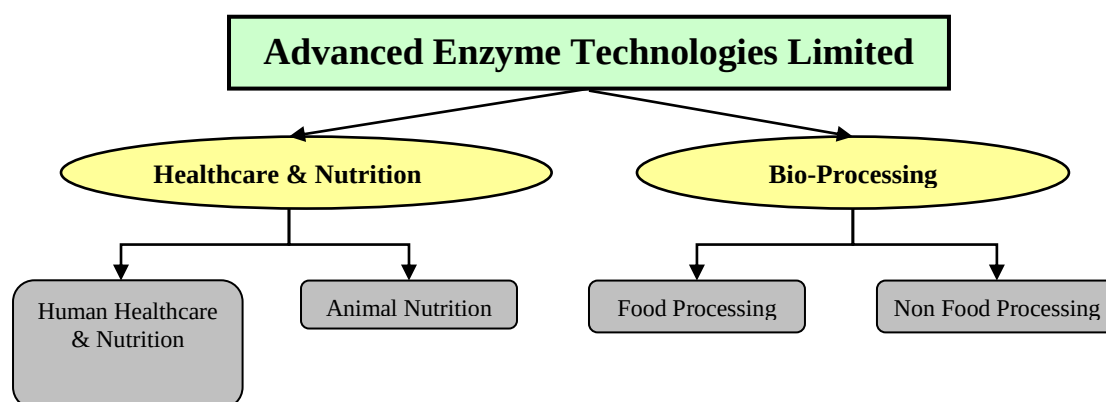
Our restated consolidated revenue from operations, EBITDA and profit after tax for the fiscal year ended March 31, 2016 was ₹ 2,937.62 million, ₹ 1,382.32 million and ₹ 784.35 million respectively, with an EBITDA margin of 47.06% and PAT margin of 26.70%. For the fiscal year ended March 31, 2016, 63.56% of our revenue from operations was from international markets, while 36.44% was contributed by the Indian market.

Contribution from our key business verticals for Fiscals 2016, 2015 and 2014 are as follows:

	Fiscal 2016		Fiscal 2015		Fiscal 2014	
Total Revenue – Business Verticals	(in ₹ million)	% of Total Revenue	(in ₹ million)	% of Total Revenue	(in ₹ million)	% of Total Revenue
Healthcare and Nutrition	2,574.09	87.62	1,889.66	84.70	1,908.92	79.72
Bio-Processing	363.53	12.38	341.42	15.30	485.58	20.28
Total Revenues	2,937.62	100.00	2,231.08	100.00	2,394.50	100.00

Key Business Verticals

The following chart enumerates the key business verticals in which we currently operate and the industries that we cater to under such verticals:



Healthcare and Nutrition:

- **Human Healthcare and Nutrition:** We provide our proprietary enzyme products and customized enzyme solutions to various pharmaceutical and nutraceutical companies in India, North America, Asia (ex-India), Europe and other countries globally. Our enzymes are used by customers as active ingredients in their pharmaceutical and nutraceutical formulations. Some of our key customers in this business vertical include Sanofi India, Cipla, Ipca Laboratories, Alkem Laboratories, and Emcure Pharmaceuticals.
- **Animal Nutrition:** We provide enzyme based feed additives for the animal nutrition industry, mainly catering to poultry and swine. Many feed ingredients are not fully digested by livestock. However, by adding enzymes to feed, the digestibility of the components can be enhanced. Enzymes are a well-proven and successful tool that allows feed producers to extend the range of raw materials used in feed, and also to improve the efficiency of existing formulations. Our product offering enables animals to maximize the nutrients they absorb from the feed, thus helping in reducing feed costs, minimizing animal waste production and accordingly helping to reduce environmental pollution. Enzymes are added to the feed either directly or as a part of the premix together with vitamins, minerals, and other feed additives.

Bio-Processing:

- **Food Processing:** By maximizing their resources and continuously enhancing the quality of their products, food and beverage manufacturers are improving the choices enjoyed by consumers and users around the globe. Enzymes play an essential role in bringing more nutritious and appealing food and beverage products to the modern world, and they offer significant benefits beyond the scope of traditional alternatives. By following critical food and beverage industry

trends, we provide our proprietary enzyme products and customized enzyme solutions for food processing industries like baking, dairy and cheese processing, fruit and vegetable processing, cereal extraction, brewing, grain processing, protein processing, and oils and fats processing. Our specialized enzyme products help customers to improve the quality of their products, reduce wastages, optimize resources, produce higher yields, reduce costs and also to reduce environmental pollution.

- **Non Food Processing:** Enzymes are considered as potent biocatalysts for a large number of reactions. We offer eco-safe solutions for variety of industries such as textiles, leather, detergent and pulp and paper, which are used in the manufacture of a wide range of products. Our biological solutions improve the efficiency of industrial processes by saving energy, water and other raw materials, while reducing waste and effluent load, thereby helping our clients to comply with the pollution norms reducing overall process cost.

OUR STRENGTHS

We consider the following to be our principal competitive strengths:

Integrated Company with presence across the Enzyme Value Chain

We are an integrated Company with presence across the enzyme value chain, covering the entire range of activities from R&D, commercial-scale manufacturing, to marketing of enzyme products and customized enzyme solutions. Unlike various other players in the industry, which are present in only some parts of the value chain, our integrated presence enables us to be cost-effective vis-à-vis competition, and helps us ensure end-to-end quality control resulting in superior products. Our business model aims to capture opportunities arising from global megatrends by combining strong production capabilities with application expertise and local delivery. We are continuously innovating and upgrading our product offerings through formulation and application development. With our integrated business model and strong knowledge base, we believe we are one of the leading industry players in quality and innovation, regulatory & technical expertise, sustainability, and customer & consumer understanding. Integration right from enzyme development, production and application development allows us to cater to our clients' unique and specific requirements, and provide them customized value-added solutions, which further enhances our business profile and strengthens our client relationships.

Strong R&D, enzyme development and manufacturing capabilities

We are a research driven company and have invested significant resources in the R&D of various enzymes, proprietary enzyme products and customized enzyme solutions since inception. For the Fiscals 2016, 2015 and 2014, our Company incurred ₹ 81.76 million, ₹ 91.31 million and ₹ 81.27 million respectively towards R&D activities on an unconsolidated basis aggregating to 5.84%, 7.18% and 5.94% respectively of our unconsolidated total revenues during these periods.

We presently have four R&D facilities located at Thane, Sinnar and Chino, California supported by a team of more than 55 members consisting of scientists, microbiologists, engineers, food technologists and biotechnologists. Our R&D capabilities include fermentation process development, applied microbiology, proteomics and application development. Our application development laboratories focus on innovative enzyme applications that lead to improvement in the product quality and process efficiency across various industries like baking, dairy and cheese processing, fruit and vegetable processing, cereal extraction, brewing, grain processing, protein processing, oil and fat processing, biomass processing, textile processing, leather processing, paper and pulp processing, bio-fuels, bio-catalysis etc.

We are one of the leading enzyme manufacturers globally with fermentation capacity of 360 cubic meters, and six geographically diversified manufacturing facilities. Our manufacturing facilities are flexible and multi-purpose in nature, capable of developing quality enzyme products and solutions with varying batch sizes, customised to meet our clients' requirements, while adhering to strict controlled processes and allowing for complete traceability of our products. The large production capacities coupled with a globally competitive cost base, has enabled us to develop new enzymes, enzyme products and customized solutions across our business verticals for the domestic as well as international markets.

Conceiving an enzyme, developing value-added novel applications, developing commercially viable production technology, and subsequently commercializing the enzyme product successfully, is one of our biggest strengths. As on the date of this RHP, we have successfully developed and commercialized 60 enzymes, and market 400+ proprietary products developed from them.

Specialized Business Model with high entry barriers

The enzyme industry is very concentrated and consists of very few players with the likes of domestic players like Biocon and foreign MNCs like Novozymes, DSM Nutritional Products and DuPont Danisco. This is because the manufacturing of enzymes, enzyme products and enzyme solutions requires specialized knowledge of enzyme fermentation and also the diverse end-user industries in which these products and solutions are utilized. Our innovation and product development platform is founded on extensive knowledge and expertise of enzymes and microorganisms. By working closely with our partners and customers, we are able to innovate and develop technologies that can be applied effectively in our customers' production and products, increasing their operational efficiency and improving the performance of their end products. We, through our presence of more than 25 years, have been able to develop unique enzymes and product solutions that would be difficult and expensive for our competitors and new entrants to develop. Further, new companies looking to enter the enzyme industry face problems with respect to obtaining sufficient capital which is required to sustain research and development efforts until the products are brought to market. Factors such as the technical and specialized nature of the business, heavy reliance on research and development and dearth of qualified professionals with experience in enzyme and biotechnology industry operates as an entry barrier to new players in the market. As a result, the enzyme industry has very few players and the top players account for a significant portion of the global market share. Our Promoters, who have a cumulative experience of more than seven decades in the global enzyme industry, are the backbone of our Company and are well supported by qualified professionals having significant experience in the enzyme and biotechnology industry and our in house ability to develop new products keeps us in good stead.

Diversified Product Portfolio and Wide Customer Base, served by a Strong Sales, Marketing and Distribution network

Our constant endeavour is to bring sustainable solutions to the market by using natural materials to design products that meet the demand for healthier and safer products, across various industry end uses. We have a diversified product portfolio catering to various verticals and end-user industries with more than 400 proprietary enzyme products developed from 60 enzymes. We have a wide presence in the Healthcare and Nutrition and the Bio-Processing verticals and cater to some of the leading and reputed companies such as Sanofi India, Cipla, etc.

We have a de-risked business model having diversified client base with our top 10 customers accounting for 41.48% of our total revenues on consolidated basis for the fiscal year ended March 31, 2016. We offer these products to our global clientele of more than 700 customers spanning presence across 50 countries worldwide. Our revenues are geographically diversified with US, India, Asia (ex-India), Europe and other geographies (excluding India and US) accounting for 54.94%, 36.44%, 3.63%, 3.84 % and 1.15% respectively of our total revenues from operations for the fiscal year ended March 31, 2016.

We serve our customers through a strong sales and marketing network in our major markets namely North America and India. In addition, through our network of international distributors, we also cater to European, Latin American and other Asian markets.

With our consistent track record and wide product portfolio, we have been able to obtain repeat orders from many of our customers, and have also been able to attract new customers.

Experienced Promoters and Strong Management Team

Our Promoters Mr. Chandrakant Laxminarayan Rathi and Mr. Vasant Laxminarayan Rathi have a cumulative experience of over seven decades in the global enzyme industry, which helps us in assessing market opportunities, estimating future potential of new products and applications, and positioning ourselves in the market accordingly. Their industry knowledge and understanding also gives us the key competitive advantage enabling us to expand our geographical and customer presence in existing as well as target markets, while exploring new growth avenues. Our Promoters are supported by a well-qualified and strong management team with several years of industry experience in their respective domains of research, quality control, sales, marketing, strategy and finance. Most of our Key Managerial Personnel have been associated with our Company for more than 10 years. For further details regarding our Key Managerial Personnel, please refer to the chapter titled "Our Management" beginning on page 198 of this RHP.

Financial stability and stable cash flows

During the fiscal years ended 2016, 2015 and 2014, we reported EBITDA of ₹ 1,382.32 million, ₹ 908.60 million and ₹ 1,037.77 million, respectively. Our EBITDA has grown at a CAGR of 22.06% from fiscal 2012 to fiscal 2016. Further, as on March 31, 2016, our long term borrowings / equity ratio was 0.26. During the fiscal years ended 2016, 2015 and 2014, we reported Return on Net worth (RONW) of 28.14%, 23.85% and 12.07%, respectively. We believe that our robust financial position illustrates not only the growth of our operations over the years, but also the effectiveness of the administrative and cost management protocols that we have implemented across our business. Among other things, our strong financial position and results of operations have enabled us to invest in our continuous research and development efforts.

Our financial stability and steady operational cash flows enable us to meet the present and future product needs of our clientele. Our strong balance sheet and financial performance gives our customers, the confidence that we will be able to support them with our products in terms of both capabilities and capacities. Over the years, we have significantly invested in R&D, and dedicated infrastructure to support the growing needs of our customers. Our ability to make these investments helps strengthen trust and engagement with our customers, which enhances our ability to retain them and extend our engagement across various products.

SUMMARY FINANCIAL INFORMATION

Consolidated Summary Statement of Assets and Liabilities, as restated

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Equity and liabilities					
Shareholders' funds					
(a) Share capital	217.66	217.66	217.66	217.66	207.32
(b) Reserves and surplus	2,569.61	1,882.68	1,445.99	1,401.98	752.34
Minority interest	53.51	44.54	36.27	23.59	15.85
Non-current liabilities					
(a) Long-term borrowings	387.52	540.01	875.42	1,166.84	1,393.43
(b) Deferred tax liabilities (net)	173.88	147.69	128.15	133.17	56.74
(a) Long-term provisions	1.75	-	-	-	-
Current liabilities					
(a) Short-term borrowings	296.34	236.49	390.69	337.20	359.77
(b) Trade payables					
total outstanding dues to micro and small enterprises	1.87	1.45	1.62	5.05	5.51
total outstanding dues to others	121.50	115.02	102.37	164.32	176.88
(c) Other current liabilities	584.71	823.47	595.65	426.20	442.47
(d) Short-term provisions	108.15	171.91	288.94	87.46	79.78
Total	4,516.50	4,180.92	4,082.76	3,963.47	3,490.09
Assets					
Non current assets					
(a) Fixed assets					
Tangible assets	1,143.68	1,111.04	1,149.28	1,157.34	496.30
Goodwill on consolidation	1,710.40	1,710.40	1,710.40	1,707.66	1,547.18
Capital work in progress	18.37	53.34	23.96	20.94	602.29
Intangible assets	0.53	0.06	0.13	0.17	0.63
Intangible assets under development	61.96	49.54	11.34	-	-
(b) Non-current investments	0.62	0.62	0.62	0.62	0.62
(c) Deferred tax assets (net)	2.04	59.88	89.09	1.96	-
(d) Long-term loans and advances	180.44	160.34	167.74	139.44	119.63
(e) Other non-current assets	1.27	0.37	1.08	1.01	0.89
Current assets					
(a) Inventories	604.92	526.33	499.34	445.86	290.76
(b) Trade receivables	417.97	370.08	323.70	390.68	326.57
(c) Cash and bank balances	263.14	43.37	26.48	36.96	52.97
(d) Short-term loans and advances	44.70	87.83	72.42	54.64	40.55
(e) Other current assets	66.46	7.72	7.18	6.19	11.70
Total	4,516.50	4,180.92	4,082.76	3,963.47	3,490.09

Consolidated Summary Statement of Profit and Loss, as restated

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Revenue					
Revenue from operations	2,937.62	2,231.08	2,394.50	2,204.18	1,717.41
Other income	8.75	11.61	10.31	36.97	31.37
Total revenue	2,946.37	2,242.69	2,404.81	2,241.15	1,748.78
Expenses					
Cost of materials consumed	667.01	477.81	578.56	595.40	514.95
Purchase of traded goods	3.06	2.12	-	-	-
Changes in inventories of finished goods, work-in-progress and traded goods	(79.92)	(2.73)	(107.99)	(84.08)	(36.76)
Employee benefit expenses	445.04	360.98	328.78	269.65	202.29
Finance costs	78.56	92.55	131.93	95.54	122.38
Depreciation and amortisation expense	87.19	90.17	98.66	75.45	54.98
Other expenses	520.11	484.30	557.38	527.61	414.13
Total expenses	1,721.05	1,505.20	1,587.32	1,479.57	1,271.97
Profit before tax and exceptional items	1,225.32	737.49	817.49	761.58	476.81
Exceptional items	-	-	539.98	-	-
Profit before tax	1,225.32	737.49	277.51	761.58	476.81
Tax expense					
Current tax	364.77	195.57	174.51	234.95	158.44
MAT credit entitlement	(18.53)	(19.11)	(18.36)	(50.33)	(5.00)
Deferred tax	85.76	51.68	(92.18)	74.19	(13.29)
	432.00	228.14	63.97	258.81	140.15
Profit after tax before Minority interest	793.32	509.35	213.54	502.77	336.66
Less: Share of Minority interest	8.97	8.33	12.68	10.58	3.30
Profit after tax	784.35	501.02	200.86	492.19	333.36

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
A. Cash flows from operating activities					
Profit before tax, as restated	1,225.32	737.49	277.51	761.58	476.81
Adjustments for non-cash transactions					
Depreciation and amortisation	87.19	90.17	98.66	75.45	54.98
Fixed assets written off	-	3.94	-	-	5.05
(Profit)/ Loss on sale of fixed assets	0.08	(1.54)	0.51	-	0.16
Allowances for bad and doubtful trade receivables/advances	-	-	1.20	-	-
Bad and doubtful trade receivables written off	2.09	1.63	1.64	0.15	0.57
Bad and doubtful advances / deposits written off	-	-	3.50	1.57	2.16
Excess provision written off/ (back)	(0.06)	1.56	-	0.26	0.19
Sundry balances written off/ (back)	0.36	(0.05)	3.60	1.48	(3.94)
Unrealised foreign exchange (gain) / loss	(2.09)	4.09	18.90	(0.18)	(1.71)
Restatement adjustments	-	-	-	-	(4.39)
Items considered separately					
Interest income	(4.63)	(4.43)	(5.92)	(6.09)	(8.55)
Interest expenses	66.69	79.60	89.31	90.41	117.08
Operating profit before working capital changes	1,374.95	912.46	488.91	924.63	638.41
Changes in working capital					
Increase / (decrease) in other current liabilities and provisions	54.25	(100.84)	222.48	(51.56)	76.24
Increase / (decrease) in trade payables	7.26	12.85	(64.92)	(13.15)	101.20
(Increase) / decrease in inventories	(78.59)	(26.99)	(53.47)	(155.11)	(112.07)
(Increase) / decrease in trade receivables	(50.39)	(50.28)	62.08	(64.26)	(100.04)
(Increase) / decrease in short term loans and advances	(7.97)	28.07	(32.93)	(11.58)	3.24
(Increase) / decrease in other non-current assets	-	-	0.01	(0.01)	-
(Increase) / decrease in other current assets	(17.80)	0.14	(0.37)	(0.26)	-
(Increase) / decrease in long term loans and advances	16.02	27.49	4.61	36.37	3.76
Cash generated from operating activities	1,297.73	802.90	626.40	665.07	610.74
Income taxes paid	(270.30)	(263.91)	(193.85)	(254.12)	(124.82)
Net cash generated from operating activities	1,027.43	538.99	432.55	410.95	485.92
B. Cash flows from investing activities					
Purchase of tangible assets including capital work-in progress and capital advances	(133.36)	(87.86)	(94.93)	(150.68)	(344.19)
Proceeds from sale of tangible assets	0.31	4.32	0.40	-	0.06
Purchase of intangible assets	(0.63)	-	-	(0.17)	-
Movement in goodwill on consolidation	-	-	(2.74)	(160.48)	(1,547.18)
Expenditure on intangible assets under development	(12.42)	(38.20)	(11.34)	-	-
(Placement)/Redemption of fixed deposits with maturity of more than 12 months (net)	(0.90)	0.72	(0.08)	(0.12)	(0.87)
(Placement)/Redemption of fixed deposits with maturity more than 3 months but less than 12 months (net)	0.80	2.66	(0.74)	(2.32)	0.61
Interest received	7.17	8.96	4.83	5.88	4.40
Net cash (used in) investing activities	(139.03)	(109.40)	(104.60)	(307.89)	(1,887.17)

Consolidated Statement of Cash Flows, as restated

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
C. Cash flows from financing activities					
Proceeds from issue of share capital	-	-	-	299.98	-
(Repayment of)/ proceeds from long-term borrowings (net)	(576.39)	(107.71)	(139.79)	(187.44)	1,321.06
(Repayment of)/ proceeds from short-term borrowings (net)	62.04	(154.20)	53.49	(22.56)	92.19
Purchase of minority interest	-	(0.06)	-	(2.84)	-
Interest paid	(75.19)	(88.27)	(70.90)	(90.41)	(117.08)
Dividends paid (including dividend tax)	(26.55)	(17.52)	(39.76)	(28.64)	(12.10)
Net cash (used in) / generated from financing activities	(616.09)	(367.76)	(196.96)	(31.91)	1,284.07
Net (decrease) / increase in cash and cash equivalents (A +B + C)	272.31	61.83	130.99	71.15	(117.18)
Cash and cash equivalents as at the beginning of the year	42.54	22.99	34.21	52.54	147.74
Effect of exchange rate changes	(51.74)	(42.28)	(142.21)	(89.48)	21.98
Cash and cash equivalents as at the end of the year*	263.11	42.54	22.99	34.21	52.54
* Composition of cash and cash equivalents					
Cash on hand	0.61	0.53	0.65	0.50	0.82
Balance with banks :					
Current accounts	249.87	38.94	13.35	25.61	48.51
Fixed deposit accounts with maturity less than 3 months	2.48	2.62	8.20	7.62	2.86
Other bank balances	10.15	0.45	0.79	0.48	0.35
	263.11	42.54	22.99	34.21	52.54

Advanced Enzyme Technologies Limited
Unconsolidated Summary Statement of Assets and Liabilities, as restated

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Equity and liabilities					
Shareholders' funds					
(a) Share capital	217.66	217.66	217.66	217.66	207.32
(b) Reserves and surplus	1,530.78	1,344.03	1,161.46	1,074.66	608.27
Non-current liabilities					
(a) Long-term borrowings	156.01	51.48	151.26	269.00	343.12
(b) Deferred tax liabilities (net)	157.59	147.70	144.45	132.62	53.02
(c) Long-term provisions	1.75	-	-	-	-
Current liabilities					
(a) Short-term borrowings	294.52	223.75	317.39	234.02	308.70
(b) Trade payables					
total outstanding dues to micro and small enterprises	1.82	1.34	1.55	5.02	5.48
total outstanding dues to others	95.99	73.96	89.26	172.28	166.19
(c) Other current liabilities	134.11	146.95	164.70	155.35	163.61
(d) Short-term provisions	25.21	19.06	29.24	70.86	62.24
Total	2,615.44	2,225.93	2,276.97	2,331.47	1,917.95
Assets					
Non-current assets					
(a) Fixed assets					
Tangible assets	1,012.31	1,057.17	1,099.13	1,136.66	475.36
Intangible assets	0.53	0.06	0.13	0.17	0.63
Intangible assets under development	61.97	49.54	11.34	-	-
Capital work in progress	18.35	2.43	5.02	0.51	591.52
(b) Non-current investments	530.79	273.22	280.20	279.63	137.20
(c) Long-term loans and advances	178.22	159.83	162.36	136.14	122.54
(d) Other non-current assets	1.27	0.37	1.08	1.00	0.89
Current assets					
(a) Inventories	474.02	393.78	366.87	356.30	198.22
(b) Trade receivables	227.82	244.18	284.40	335.31	282.77
(c) Cash and bank balances	15.36	9.54	18.41	19.20	33.42
(d) Short-term loans and advances	28.35	28.58	41.48	60.62	63.61
(e) Other current assets	66.45	7.23	6.55	5.93	11.79
Total	2,615.44	2,225.93	2,276.97	2,331.47	1,917.95

Unconsolidated Summary Statement of Profit and Loss, as restated

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Revenue					
Revenue from operations	1,391.41	1,258.79	1,357.64	1,416.37	1,129.51
Other income	8.03	13.66	10.67	22.20	32.48
Total revenue	1,399.44	1,272.45	1,368.31	1,438.57	1,161.99
Expenses					
Cost of materials consumed	470.48	381.03	434.53	512.68	395.47
Changes in inventories of finished goods and work- in-progress	(56.98)	(11.50)	(65.96)	(85.41)	(38.56)
Employee benefit expenses	243.43	186.91	180.84	153.80	127.39
Finance costs	43.71	46.56	82.84	37.78	36.98
Depreciation and amortisation expense	73.85	79.84	91.17	70.71	52.08
Other expenses	364.62	361.87	406.91	440.47	341.37
Total expenses	1,139.11	1,044.71	1,130.33	1,130.03	914.73
Profit before tax and exceptional items	260.33	227.74	237.98	308.54	247.26
Exceptional items	-	-	120.57	-	-
Profit before tax	260.33	227.74	117.41	308.54	247.26
Tax expense					
Current tax	56.47	45.98	24.82	64.72	51.52
MAT credit entitlement	(18.53)	(19.11)	(18.36)	(50.33)	(5.00)
Deferred tax	9.89	4.25	11.83	79.60	(17.04)
	47.83	31.12	18.29	93.99	29.48
Profit after tax	212.50	196.62	99.12	214.55	217.78

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
A. Cash flows from operating activities					
Profit before tax, as restated	260.33	227.74	117.41	308.54	247.26
Adjustments for non-cash transactions					
Adjustments to opening reserve on account of restatement items	-	-	-	-	(4.78)
Depreciation and amortisation expense	73.85	79.84	91.17	70.71	52.08
Fixed assets written off	-	3.96	-	-	5.05
(Profit)/ Loss on sale of fixed assets	0.08	(1.54)	0.51	-	0.16
(Profit)/Loss on sale of investments (net)	-	-	(0.38)	-	-
Investments written off	-	14.53	-	8.77	-
Allowances for bad and doubtful advances	-	-	1.20	-	-
Bad debts written off	1.97	1.62	1.60	0.08	-
Doubtful advances written off	-	2.04	3.50	1.57	2.16
Excess provision written back	(0.06)	-	-	(0.21)	(0.19)
Sundry balances written back	(0.29)	(1.02)	-	(1.35)	(9.34)
Sundry balances written off	0.64	0.42	2.00	3.15	14.63
Unrealised foreign exchange (gain) / loss	(2.09)	4.09	18.90	(0.18)	(1.71)
	334.43	331.68	235.91	391.08	305.32
Items considered separately					
Interest income	(1.92)	(3.22)	(4.40)	(8.01)	(14.08)
Interest expenses	36.66	38.15	43.74	33.93	32.16
Dividend income	(2.40)	(5.10)	(2.40)	(2.40)	-
Operating profit before working capital changes	366.77	361.51	272.85	414.60	323.40
Changes in working capital					
Increase / (decrease) in other current liabilities and provisions	53.74	4.80	(13.54)	4.85	(7.35)
Increase / (decrease) in trade payables	22.87	(15.14)	(86.03)	5.70	89.50
(Increase) / decrease in inventories	(80.23)	(26.92)	(10.57)	(158.07)	(34.95)
(Increase) / decrease in trade receivables	13.91	37.88	46.05	(52.37)	(60.28)
(Increase) / decrease in short-term loans and advances	(2.66)	4.68	13.40	(0.09)	(30.62)
(Increase) / decrease in other current assets	(18.28)	-	-	-	-
(Increase) / decrease in long-term loans and advances	16.03	22.62	9.20	36.60	2.59
Cash generated from operating activities	372.15	389.43	231.36	251.22	282.29
Income taxes paid	(57.19)	(58.36)	(54.57)	(71.43)	(31.06)
Net cash generated from operating activities	314.96	331.07	176.79	179.79	251.23
B. Cash flows from investing activities					
Purchase of tangible assets including capital work-in progress and capital advances	(93.43)	(41.57)	(60.63)	(135.34)	(316.58)
Proceeds from sale of tangible assets	0.31	4.32	0.40	-	0.06
Expenditure on intangible assets under development	(12.43)	(38.20)	(11.34)	-	-
Purchase of intangible assets	(0.63)	-	-	(0.17)	-
Purchase of non-current investments	(257.57)	(7.55)	(1.77)	(151.20)	(88.46)
Proceeds from sale of non-current investments	-	-	1.58	-	-
Interest received	4.45	7.74	3.31	7.79	9.93
Dividends received	2.40	5.10	2.40	2.40	-
(Placement)/Redemption of fixed deposits with maturity more than 3 months but less than 12 months (net)	0.80	2.66	(0.74)	(2.32)	0.62
(Placement)/Redemption of fixed deposits with maturity of more than 12 months (net)	(0.90)	0.71	(0.08)	(0.11)	(0.87)
Net cash (used in) investing activities	(357.00)	(66.79)	(66.87)	(278.95)	(395.30)

Unconsolidated Statement of Cash Flows, as restated

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
C. Cash flows from financing activities					
Proceeds from issue of share capital	-	-	-	299.98	-
(Repayment of)/ proceeds from long-term borrowings (net)	35.24	(126.04)	(113.60)	(84.79)	77.00
(Repayment of)/ proceeds from short-term borrowings (net)	72.96	(93.63)	83.37	(74.68)	46.24
Interest paid	(35.41)	(38.15)	(43.74)	(33.93)	(32.16)
Dividends paid (including dividend tax)	(24.13)	(12.67)	(37.48)	(23.96)	(12.10)
Net cash (used in) / generated from financing activities	48.66	(270.49)	(111.45)	82.62	78.98
Net (decrease) / increase in cash and cash equivalents (A +B + C)	6.62	(6.21)	(1.53)	(16.54)	(65.09)
Cash and cash equivalents as at the beginning of the year	8.71	14.92	16.45	32.99	98.08
Cash and cash equivalents as at the end of the year*	15.33	8.71	14.92	16.45	32.99
* Composition of cash and cash equivalents					
Cash on hand	0.53	0.46	0.57	0.43	0.78
Balance with banks :					
Current accounts	2.17	5.18	5.36	7.92	29.00
Fixed deposit accounts with maturity less than 3 months	2.48	2.62	8.20	7.62	2.86
Other bank balances	10.15	0.45	0.79	0.48	0.35
	15.33	8.71	14.92	16.45	32.99

RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS IN THE LAST FIVE FINANCIAL YEARS

The Auditors' report on the standalone financial statements of the Company as of March 31, 2014 included the following qualification:

“As stated in Note 42(a) to the financial statements, during the year the Company has paid managerial remuneration amounting to ₹ 9.32 million, which is in excess of the limits specified under the provisions of the Companies Act, 1956. The Company is in the process of seeking the necessary approval in this regard. Had the Company adjusted such excess managerial remuneration during the year ended 31 March 2014, the profit after tax for the year ended 31 March 2014 and reserves and surplus and the short-term loans and advances as at that date would have been higher by ₹ 9.32 million.”

Further, the Auditors' report on the consolidated financial statements of the Company as of March 31, 2014 included the following qualification:

“As stated in Note 40(a) to the consolidated financial statements, during the year the Company has paid managerial remuneration amounting to ₹ 9.32 million, which is in excess of the limits specified under the provisions of the Companies Act, 1956. The Company is in the process of seeking the necessary approval in this regard. Had the Company adjusted such excess managerial remuneration during the year ended 31 March 2014, the profit after tax for the year ended 31 March 2014 and reserves and surplus and the short-term loans and advances as at that date would have been higher by ₹ 9.32 million.”

Management Response

In relation to the above qualifications, our Company had applied to the Central Government for approval vide their applications dated September 24, 2014. The Central Government considered these applications and has stated that given the Company is neither a listed company nor a subsidiary of a listed company, the approval of the Central Government for payment of remuneration exceeding the limits of the Companies Act, 1956, is not required.

THE OFFER

Particulars	Number of Equity Shares
Public Offer	[●] Equity Shares aggregating upto ₹ 500 Million.
<i>Of Which:</i>	
i. Fresh Issue ⁽¹⁾ .	[●] Equity Shares.
ii. Offer for Sale ⁽²⁾ .	Upto 4,034,470 Equity Shares.
<i>Of Which</i>	
Offer for Sale by Promoter Group Selling Shareholders.	Upto 2,680,000 Equity Shares.
Offer for Sale by Investor Selling Shareholders.	Upto 517,200 Equity Shares.
Offer for Sale by Other Selling Shareholders-I.	Upto 447,270 Equity Shares.
Offer for Sale by Other Selling Shareholders-II.	Upto 390,000 Equity Shares.
<i>Of Which:</i>	
Employee Reservation Portion.	Upto [●] Equity Shares aggregating upto ₹ 20 million.
<i>Therefore,</i>	
Net Offer of Equity Shares to Public.	[●] Equity Shares.
<i>Of which</i>	
A) QIB Portion ⁽³⁾⁽⁴⁾	[●] Equity Shares.
<i>Of which:</i>	
Anchor Investor Portion	Not more than [●] Equity Shares.
Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares.
<i>Of Which:</i>	
Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding Anchor Investor Portion)) ⁽⁵⁾	[●] Equity Shares.
Balance for all QIBs including Mutual Funds	[●] Equity Shares.
B) Non-Institutional Portion ⁽³⁾	Not less than [●] Equity Shares.
C) Retail Portion ⁽²⁾⁽⁵⁾	Not less than [●] Equity Shares.
Equity Shares outstanding prior to the Offer	21,765,600 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares.
Use of Net Proceeds	Kindly refer to the chapter titled “Objects of the Offer” beginning on page 117 of this Red Herring Prospectus for information about the use of the Net Proceeds.

Notes:

Allocation to Bidders in all categories if any, except the Retail Portion and the Anchor Investor Portion, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price.

⁽¹⁾ The Fresh Issue has been authorised by the Board pursuant to its resolution passed on July 24, 2015 and the Shareholders pursuant to the resolution passed on September 1, 2015 at the Annual General Meeting of the Company.

⁽²⁾ The Selling Shareholders severally and not jointly, specifically confirm that the portion of the Offered Shares by each of the Selling Shareholders by way of an Offer for Sale in the Offer, have been held by them for a period of at least one year prior to the filing of the Draft Red Herring Prospectus with SEBI and are eligible for the Offer in accordance with the SEBI Regulations. For details relating to the letter/Board Resolutions authorizing the Offer for Sale, please refer to the table appearing on page 82 of the chapter titled “Capital Structure”.

⁽³⁾ Under-subscription, if any, in any category, other than the QIB category, would be allowed to be met with spill over from any other category or combination of categories of Bidders (including the Employee Reservation Portion) at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange subject to applicable law. In the event of under-subscription in the Offer, Equity Shares offered pursuant to the Fresh Issue shall be allocated prior to Equity Shares offered pursuant to the Offer for Sale.

⁽⁴⁾ Our Company, in consultation with the Selling Shareholders and the BRLMs, may allocate upto 60 % of the QIB Portion

to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. For details, see chapter titled “Offer Procedure” beginning on page 384.

⁽⁵⁾ The Retail Discount and Employee Discount, if any, will be determined by the Company in consultation with the Selling Shareholders and BRLMs and will be offered to Retail Individual Bidders and Eligible Employees, as applicable, at the time of making a Bid. Retail Individual Bidders and Eligible Employees bidding at a price within the Price Band can make payment at the Bid Amount (which will be less Retail Discount or Employee Discount, as applicable), at the time of making a Bid. Retail Individual Bidders and Eligible Employees bidding at the Cut-Off Price have to ensure payment at the Cap Price, less Retail Discount or Employee Discount, as applicable at the time of making a Bid. Retail Individual Bidders and Eligible Employees must ensure that the Bid Amount, does not exceed ₹200,000. Retail Individual Bidders and Eligible Employees should note that while filling the “SCSB/Payment Details” block in the Bid cum Application Form, Retail Individual Bidders and Eligible Employees must mention the Bid Amount.

For further details regarding the Offer Structure and Procedure, kindly refer to the chapters titled “Offer Structure” and “Offer Procedure” beginning on pages 378 and 384, respectively of this Red Herring Prospectus.

GENERAL INFORMATION

Our Company was incorporated as a private limited company on March 15, 1989 under the provisions of the Companies Act, 1956 as Advanced Biochemicals Private Limited in Maharashtra. Pursuant to a special resolution passed by the shareholders of our Company at the extra-ordinary general meeting held on April 21, 1992, our Company was converted into a public limited company and consequently the name of our Company was changed to Advanced Biochemicals Limited. A fresh certificate of change of name reflecting the new name was issued by the Registrar of Companies, Maharashtra on May 28, 1992. Pursuant to a special resolution passed by the shareholders of our Company at the extra-ordinary general meeting held on August 8, 2005, the name of our Company was further changed from Advanced Biochemicals Limited to Advanced Enzyme Technologies Limited. A fresh certificate of incorporation reflecting the new name was issued by the Registrar of Companies, Maharashtra, Mumbai on August 19, 2005. For further details please see the chapter titled “History and Certain Corporate Matters” beginning on page 188 of this RHP.

REGISTERED AND CORPORATE OFFICE OF OUR COMPANY:

Advanced Enzyme Technologies Limited,
Sun Magnetica,
5th Floor, Near LIC Service Road,
Louis Wadi,
Thane,
Maharashtra – 400 604.

Tel No: + 91-22-4170 3200

Fax No: + 91-22-25835159

Email: info@advancedenzymes.com

Website: www.advancedenzymes.com

Registration Number: 051018

Corporate Identification Number: U24200MH1989PLC051018

For details relating to changes in our registered office, see the section titled “History and Certain Corporate Matters - Changes in Registered Office” on page 188 of this RHP.

ADDRESS OF REGISTRAR OF COMPANIES:

Our Company is registered with the RoC, Mumbai situated at the following address:

100, Everest,
Marine Drive,
Mumbai- 400002.

Tel No: + 91-22-22812639

Fax No: + 91-22-22811977

BOARD OF DIRECTORS:

The Board of our Company comprises of the following:

Name	DIN	Designation	Address, Age and Occupation
Mr. Chandrakant Laxminarayan Rathi	00365691	Managing Director	Address: Row House No. 18, Eternity, Teen Hath Naka, Thane (West) – 400604. Age: 62 Occupation: Business
Mr. Vasant Laxminarayan Rathi	01233447	Non-Executive and Non-Independent Director	Address: 5390 La Crescenta, Yorba Linda, CA 92887, USA Age: 68

			Occupation: Business
Mrs. Savita Chandrakant Rathi	00365717	Executive and Whole-time Director	Address: Row House No. 18, Eternity, Teen Hath Naka, Thane (West) – 400604. Age: 55 Occupation: Business
Mr. Mukund Madhusudan Kabra	00148294	Executive and Whole-time Director	Address: Madhu Mangal, Sheetal Co-op Housing Society, Takli Road, Nashik – 422 011. Age: 44 Occupation: Service
Mr. Pradip Bhailal Shah	01225582	Non-Executive and Non-Independent Director	Address: 16629, Blackburn Drive, La Mirinda, Los Angeles, CA – 90638, USA. Age: 62 Occupation: Business
Mr. Ramesh Thakorlal Mehta	00367439	Non-Executive and Independent Director	Address: 2301-2303, Vivarea Tower 'A', Sane Guruji Marg, Jacob Circle, Mahalakshmi, Mumbai- 400011 Age: 83 Occupation: Retired
Mr. Kedar Jagdish Desai	00322581	Chairman, Non-Executive and Independent Director	Address: Flat no. 52, Makani Manor CHS, 16, D. G. Deshmukh Marg, Opposite Jaslok Hospital, Peddar Road, Mumbai 400 026. Age: 44 Occupation: Professional
Mr. Kunisetty Venkata Ramakrishna	00133248	Non-Executive and Non-Independent Director	Address: Flat 301, Orchid Hiranandani Meadows, Gladys Alwares Marg, Off. Pokhran Road no. 2, Thane (West) – 400 610. Age: 46 Occupation: Service
Ms. Rupa Rajul Vora	01831916	Non-Executive and Independent Director	Address: 8, Hyde Park, 227, Sher-e-Punjab Society, Mahakali Caves Road, Andheri (East), Mumbai – 400093, Maharashtra. Age: 54 Occupation: Professional

For further details, please refer to the Chapter titled “Our Management” beginning on page 198 of this RHP.

COMPANY SECRETARY AND COMPLIANCE OFFICER:

Mr. Prabal Bordiya
Advanced Enzyme Technologies Limited,
Sun Magnetica, 5th Floor,
Near LIC Service Road,
Louis Wadi,
Thane,
Maharashtra – 400 604
Tel No: + 91-22-4170 3200
Fax No: + 91-22-2583 5159
Email: prabal@advancedenzymes.com

CHIEF FINANCIAL OFFICER:

Mr. Beni Prasad Rauka,
Advanced Enzyme Technologies Limited,
Sun Magnetica, 5th Floor,
Near LIC Service Road,
Louis Wadi,
Thane,
Maharashtra – 400 604.
Tel No: + 91-22-4170 3200
Fax No: + 91-22-2583 5159
Email: brauka@advancedenzymes.com

Bidders are advised to contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of funds by electronic mode etc.

All grievances relating to the Offer may be addressed to the Registrar to the Offer, giving full details such as name, address of the Bidder, number of Equity Shares applied for, the Bid amount paid on submission of the Bid cum Application Form and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant SCSB or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centres, as the case maybe, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the ASBA Account number in which the amount equivalent to the Bid Amount was blocked. All grievances relating to Bids submitted through the Registered Broker and/or a Stock Broker may be addressed to the Stock Exchanges with a copy to the Registrar.

BOOK RUNNING LEAD MANAGERS:

ICICI Securities Limited,
ICICI Centre,
H.T. Parekh Marg,
Churchgate,
Mumbai – 400 020.
Tel: +91 22 2288 2460
Fax: +91 22 2282 6580
Email: aetl.ipo@icicisecurities.com
Investor Grievance Email: customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact Person: Ms. Payal Kulkarni / Mr. Vishal Kanjani

SEBI Registration No: INM000011179

Axis Capital Limited,

1st Floor, Axis House,
C-2 Wadia International Centre
P.B. Marg, Worli,
Mumbai 400 025.
Maharashtra, India.

Tel : +91 22 43252183

Fax: +91 22 43253000

Email: aetl@axiscap.in

Investor Grievance Email: complaints@axiscap.in

Website: www.axiscapital.co.in

Contact Person: Ms. Simran Gadh

SEBI Registration No: INM000012029

LEGAL COUNSEL TO THE COMPANY:

M/s. Kanga and Company,

Advocates & Solicitors,
Readymoney Mansion,
43, Veer Nariman Road,
Fort,
Mumbai – 400 001.

Tel No: +91 22 6623 0000

Fax No: +91 22 6633 9656/6633 9657

Email: chetan.thakkar@kangacompany.com

Contact Person: Mr. Chetan Thakkar

INDIAN LEGAL COUNSEL TO THE BRLMS:

J. Sagar Associates,

Vakils House, 18 Sprott Road,
Ballard Estate,
Mumbai - 400 001.

Tel. No.: +91 22 4341 8600

Fax No.: +91 22 4341 8617

LEGAL COUNSEL TO INVESTOR SELLING SHAREHOLDERS

Khaitan & Co.

One Indiabulls Centre, 13th Floor,
Tower 1, 841 Senapati Bapat Marg,
Mumbai – 400013.

Tel No: +91 22 6636 5300

Fax No: +91 22 6636 5050

STATUTORY AUDITORS TO OUR COMPANY:

Walker Chandiok & Co LLP

16th Floor, Tower II, Indiabulls Finance Centre,
S. B. Marg, Elphinstone (W),
Mumbai 400 013.

Tel No: + 022 - 6626 2600

Fax: + 022 – 6626 2601

Email: sudhir.pillai@in.gt.com

Firm registration number: 001076N/N500013

Our Auditors, by their certificate dated February 22, 2016, have confirmed that pursuant to a peer review process conducted by the Institute of Chartered Accountants of India, they hold a valid certificate dated May 4, 2012 issued by the Peer Review Board of the Institute of Chartered Accountants of India and are eligible to examine the financial information as per the requirements of the SEBI Regulations.

REGISTRAR TO THE OFFER:

Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound

L.B.S. Marg, Bhandup (West),

Mumbai 400 078

Tel: (+91 22) 6170 5400

Fax: (+91 22) 2596 0329

Email: aetl.ipo@linkintime.co.in

Investor Grievance E-mail: aetl.ipo@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Ms. Shanti Gopalkrishnan

SEBI Registration Number: INR000004058.

BANKERS TO OUR COMPANY:

Citibank N.A.

Citi Commercial Banking, Citibank N.A., 9th Floor,

FIFC, C-54 & 55,

G- Block, Bandra Kurla Complex,

Mumbai – 400 051.

Tel. No.: + 022 – 61756204

Fax No.: + 022 – 2653 2108

Email: anand.soni@citi.com

Website: www.citibank.co.in

Contact Person: Mr. Anand Soni

HDFC Bank,

Emerging Corporate Group,

Peninsula Business Park,

Tower B, 4th Floor,

Lower Parel,

Mumbai – 400 013.

Tel. No.: + 022 – 33958049

Fax No.: + 022 – 30788583

E-mail: mrinal.barua@hdfcbank.com

Website: www.hdfcbank.com

Contact Person: Ms. Mrinal Barua

Kotak Mahindra Bank Limited,

27 BKC, C-27,

Bandra- Kurla Complex,

Bandra (East) - Mumbai 400051

Tel. No.: 022-33095801

Fax No.: 022-33095871

Email: sharukh.patel@kotak.com

Website: www.kotak.com

Contact Person: Mr. Sharukh Patel

DBS Bank,
Fort House,
221, Dr. D.N Road,
Fort, Mumbai – 400 001 (MH).
Tel. No.: + 022 – 66178929
Fax No.: + 022 – 67528399
Email: pradipjain@dbb.com
Website: www.dbb.com
Contact Person: Mr. Pradip Jain

Our Company has received consents from its lenders i.e. Citibank N.A., DBS Bank Limited, HDFC Bank Limited and Kotak Mahindra Bank Limited to undertake the Offer vide their letters dated December 22, 2015, December 17, 2015, November 16, 2015 and December 23, 2015, respectively.

BANKERS TO THE OFFER/ ANCHOR ESCROW BANK

ICICI Bank Limited,
Capital Market Division,
1st Floor, 122, Mistry Bhavan,
Dinshaw Vachha Road,
Backbay Reclamation,
Churchgate,
Mumbai —400 020.
Tel: +91 22 2285 9907 /23/ 24
Fax: +91 22 2261 1138
Email: rishav.bagrecha@icicibank.com
Website: www.icicibank.com
Contact Person: Mr. Rishav Bagrecha
SEBI Registration Number: INBI000000004

Axis Bank Limited,
Thane Branch, Dhiraj Baug,
Damani Estate,
Near Hariniwas Circle,
LBS Marg,
Thane - 400602
Tel: +91 22 25437 879.
Fax: +91 22 25437879
Email: thane.branchhead@axisbank.com
Website: www.axisbank.com
Contact Person: Mr. Shankar G.
SEBI Registration Number: INBI000000017.

REFUND BANK

ICICI Bank Limited,
Capital Market Division,
1st Floor, 122, Mistry Bhavan,
Dinshaw Vachha Road,
Backbay Reclamation,
Churchgate,
Mumbai —400 020.
Tel: +91 22 2285 9907 /23/ 24
Fax: +91 22 2261 1138
Email: rishav.bagrecha@icicibank.com

Website: www.icicibank.com
Contact Person: Mr. Rishav Bagrecha
SEBI Registration Number: INBI00000004

Axis Bank Limited,
 Thane Branch, Dhiraj Baug,
 Damani Estate,
 Near Hariniwas Circle,
 LBS Marg,
 Thane - 400602
Tel: +91 22 25437 879.
Fax: +91 22 2543'7879
Email: thane.branchhead@axisbank.com
Website: www.axisbank.com
Contact Person: Mr. Shankar G.
SEBI Registration Number: INBI00000017

SELF CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on the website of the SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries> as updated from time to time. For details of the Designated Branches of SCSBs which shall collect Bid cum Application Forms, refer to the above-mentioned link. Further, the branches of the SCSBs where the Syndicate at the Specified Locations could submit the Bid cum Application Form are provided on the aforementioned website of SEBI.

REGISTERED BROKERS

In terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, Bidders can submit Bid cum Application Forms Registered Brokers at the Broker Centres.

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at <http://www.bseindia.com> and <http://www.nseindia.com>, respectively.

STATEMENT OF RESPONSIBILITIES

ICICI Securities Limited and Axis Capital Limited are the BRLMs to the Offer and shall be responsible for the following activities:

S. No.	Activity	Responsibility	Co-ordination
1.	Capital structuring with relative components and formalities such as type of instruments, etc.	Axis, I-Sec	I-Sec
2.	Pre Offer – Due Diligence on the Company, DRHP Drafting, compliance and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of RHP, Prospectus and SEBI, RoC filing and co-ordination of all agreements namely Offer agreement, Registrar agreement, Syndicate agreement, Cash Escrow agreement and Underwriting agreement.	Axis, I-Sec	I-Sec
3.	Coordinating approval of all statutory advertisements in relation to the Offering.	Axis, I-Sec	I-Sec
4.	Appointment of Printers and Registrar.	Axis, I-Sec	I-Sec
5.	Appointment of other intermediaries including Bankers to the Offer and PR Agency, as applicable.	Axis, I-Sec	Axis
6.	Coordinating approval of all publicity material other than statutory advertisement as mentioned above including corporate advertisement, brochure, etc.	Axis, I-Sec	Axis
7.	Preparation of the roadshow presentation and FAQ	Axis, I-Sec	Axis
8.	International Institutional Marketing of the Offering, which will cover, inter alia,	Axis, I-Sec	Axis

	- Finalizing the list and division of investors for one to one meetings; and - Finalizing road show schedule and investor meeting schedules.		
9.	Domestic Institutional Marketing of the Offering, which will cover, inter alia, - Finalizing the list and division of investors for one to one meetings; and - Finalizing road show schedule and investor meeting schedules	Axis, I-Sec	I-Sec
10.	Retail and Non-Institutional Marketing of the Offering, which will cover, inter alia, - Formulating marketing strategies, preparation of publicity budget; - Finalizing Media and PR strategy; - Finalizing centres for holding conferences for brokers etc. - Follow-up on distribution of publicity and Offer material including form, prospectus and deciding on the quantum of the Offer material; and finalizing collection centres.	Axis, I-Sec	I-Sec
11.	Finalization of pricing in consultation with the Company and Managing the book	Axis, I-Sec	I-Sec
12.	Co-ordination with the Stock Exchanges for book building software, bidding terminals and mock trading	Axis, I-Sec	Axis
13.	Post-Bidding activities – co-ordination on Anchor, management of escrow accounts, co-ordination of non-institutional and institutional allocation, intimation of allocation and dispatch of refunds to Bidders, etc. The Post Offer activities for the Offer will involve essential follow up steps, which include the finalisation of basis of allotment, dispatch of refunds, demat and delivery of shares, finalisation of listing and trading of instruments with the various agencies connected with the work such as the Registrar(s) to the Offer and Escrow Collection and Refund Banks, coordinating with Stock Exchanges and SEBI for Release of 1% security deposit post closure of the issue. The BRLMs shall be responsible for ensuring that these agencies fulfill their functions and enable it to discharge this responsibility through suitable agreements with our Company. Coordinating with Stock Exchanges and SEBI for Release of 1% security deposit post closure of the issue.	Axis, I-Sec	Axis
14.	Payment of the applicable Securities Transaction Tax on sale of unlisted equity shares by the Selling Shareholders under the offer for sale included in the Offer to the Government and filing of the STT return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004.	Axis, I-Sec	Axis

CREDIT RATING

This being an Offer of Equity Shares, there is no requirement of credit rating for the Offer.

EXPERTS

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

Our Company has received written consent from the Auditors, who holds a valid peer review certificate, to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this RHP and as an “expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the examination reports dated June 29, 2016 and June 29, 2016 of the Auditors on the Unconsolidated Financial Information, as restated, of our Company and Consolidated Financial Information, as restated, of our Group, respectively as of and for Fiscals ended March 31, 2016, 2015, 2014, 2013, and 2012, and the statement of tax benefits dated June 29, 2016, included in this RHP and such consents have not been withdrawn as on the date of this RHP.

TRUSTEES

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

MONITORING AGENCY

The proposed funds requirement is not appraised by any Bank/Financial Institution. As the net proceeds of the Fresh Issue will be less than ₹ 5,000 Million, under the SEBI Regulations, 2009 it is not required that a monitoring agency be appointed by our Company.

APPRAISING AGENCY

No appraising agency has been appointed in respect of any project of our Company.

COLLECTING DEPOSITORY PARTICIPANTS

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Bidders can submit Bid cum Application Forms through CDPs who are depository participants registered with SEBI and have furnished their details to Stock Exchanges for acting in such capacity.

The list of the CDPs, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at <http://www.bseindia.com> and <http://www.nseindia.com>, respectively.

COLLECTING RTAs

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Bidders can submit Bid cum Application Forms through Collecting RTAs who are registrars and transfer agents registered with SEBI and have furnished their details to Stock Exchanges for acting in such capacity.

The list of Collecting RTAs, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at <http://www.bseindia.com> and <http://www.nseindia.com>, respectively.

BOOK BUILDING PROCESS

The book building, in context of the Offer, refers to the process of collection of Bids on the basis of this Red Herring Prospectus within the Price Band, which will be decided by our Company in consultation with the Selling Shareholders and the BRLMs, and advertised in all editions of Financial Express, all editions of Jansatta and Mumbai edition of Navshakti (which are widely circulated English, Hindi and Marathi newspapers, respectively, Marathi being the regional language of Maharashtra, where our Registered Office is located) at least five Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of upload on its website. The Offer Price shall be determined by our Company, in consultation with the Selling Shareholders and the BRLMs, after the Bid/ Offer Closing Date. The principal parties involved in the Book Building Process are:

1. Our Company;
2. the BRLMs;
3. the Syndicate Members who are intermediaries registered with SEBI or registered as brokers with the Stock Exchanges and eligible to act as Underwriters;
4. the Registrar to the Offer;
5. the Anchor Escrow Banks;
6. the Collecting DPs;
7. the Collecting RTAs;
8. the SCSBs;
9. the Registered Brokers; and
10. the Selling Shareholders.

The Offer is being made through the Book Building Process wherein 50% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the Selling Shareholders and the BRLMs may allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis. 5% of the QIB Portion (excluding the

Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price. All potential Bidders, other than Anchor Investors, may participate in the Offer through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Offer. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange.

Further, upto ₹ 20 million shall be reserved for allocation on a proportionate basis to Eligible Employees, subject to valid Bids being received from them at or above the Offer Price. Any unsubscribed portion in Employee Reservation Category shall be added to the Net Offer to the public. Under-subscription, if any in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange.

All Bidders (excluding Anchor Investors) are mandatorily required to utilize the ASBA process to participate in the Offer. Anchor Investors are not permitted to participate through the ASBA process.

In accordance with the SEBI Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees can revise their Bids during the Bidding/Offer Period and withdraw their Bids until finalization of the Basis of Allotment. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. For further details, see the chapters titled “*The Offer*” and “*Offer Procedure*” beginning on pages 68 and 384, respectively, of this RHP.

Our Company will comply with the SEBI Regulations and any other ancillary directions issued by SEBI for the Offer. In this regard, our Company and the Selling Shareholders have appointed the BRLMs to manage the Offer and procure subscriptions to the Offer. Each of the Selling Shareholder confirms that it/they will comply with the SEBI Regulations and any other ancillary directions issued by SEBI, as applicable to such Selling Shareholder in relation to the Equity Shares offered by each of the respective Selling Shareholder in the Offer for Sale.

The Book Building Process under the SEBI Regulations is subject to change from time to time and Bidders are advised to make their own judgment about an investment through the Book Building Process prior to submitting a Bid.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid. For further details, please see the chapter titled “Offer Procedure” beginning on page 384;
- Ensure that you have an active demat account and the demat account details are correctly mentioned in the Bid cum-Application-Form;
- Ensure that the Bid-cum-Application Form is duly completed as per the instructions given in this Red Herring Prospectus and in the Bid-cum-Application Form;
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the IT Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for bidders residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the bidders by collecting sufficient documentary evidence in support of their claims;

- Ensure the correctness of your Demographic Details, given in the Bid-cum-Application Form with the details recorded with your Depository Participant;
- Ensure the correctness of your PAN, beneficiary account number, DP ID and Client ID given in the Bid-cum-Application Form. Based on these parameters, the Registrar will obtain details of the Bidders from the Depositories including the Bidder's name and bank account number, among others;
- Bids by ASBA Bidders will have to be submitted to the designated branches of the SCSBs or to the Syndicate at the Specified Locations or to the Registered Brokers at the Broker Centres. Ensure that the SCSB where the ASBA Account (as specified in the Bid cum Application Form) is maintained has named at least one branch at the Specified Location or the Broker Centre for the members of the Syndicate or the Registered Broker, respectively, to deposit Bid cum Application Forms (a list of such branches is available at the website of the SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>);
- All Bids (except in the case of Anchor Investors) shall be submitted only through the ASBA process;
- ASBA Bidders should ensure that the ASBA Accounts have adequate credit balance at the time of submission to the SCSB or the Syndicate or the Registered Brokers to ensure that the Bid cum Application Form is not rejected.

For further details please see the chapter titled "Offer Procedure" beginning on page 384 of this RHP.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

Illustration of Book Building Process and the Price Discovery Process

(Bidders should note that the following is solely for the purpose of illustration and is not specific to the Offer; it also excludes bidding by Anchor Investors)

Bidders can bid at any price within the Price Band. For instance, assuming a price band of ₹ 20 to ₹ 24 per share, an issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centres during the bidding period. The illustrative book as shown below indicates the demand for the equity shares of the issuer company at various prices and is collated from bids received from various bidders.

Bid Quantity	Bid Price (in ₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e. ₹ 22 in the above example. The Issuer, in consultation with the Selling Shareholders and the book running lead managers, will finalise the issue price at or below such cut-off, i.e. at or below ₹ 22. All bids at or above the issue price and cut-off price bids are valid bids and are considered for allocation in the respective categories. This table is for illustration only and an investor can bid at an interval of every one rupee in the above example.

Allotment to Retail Individual Bidders and Minimum Bid Lots

In the event, the Bids received from Retail Individual Bidders exceeds [●] Equity Shares, then the maximum number of Retail Individual Bidders who can be Allotted the minimum Bid Lot will be computed by dividing the total number of the

Equity Shares available for Allotment to Retail Individual Bidders by the minimum Bid Lot (“**Maximum RII Allottees**”). The Allotment to Retail Individual Bidders will then be made in the following manner:

1. In the event the number of Retail Individual Bidders who have submitted valid Bids in the Offer is equal to or less than Maximum RII Allottees, (i) Retail Individual Bidders shall be Allotted the minimum Bid Lot; and (ii) the balance Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the Retail Individual Bidders who have received Allotment as per (i) above for less than the Equity Share Bid by them (i.e. who have Bid for more than the minimum Bid Lot).
2. In the event the number of Retail Individual Bidders who have submitted valid Bids in the Offer is more than Maximum RII Allottees, the Retail Individual Bidders (in that category) who will then be Allotted minimum Bid Lot shall be determined on draw of lots basis.

For details, see the chapter titled “*Offer Procedure*” beginning on page 384 of this Red Herring Prospectus.

UNDERWRITING AGREEMENT

After the determination of the Offer Price, but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through this Offer. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC)

Name, address, telephone number, fax number and e-mail address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (₹ in Million)
[●]	[●]	[●]
[●]	[●]	[●]

The above mentioned is indicative underwriting and will be finalized after determination of the Offer Price and actual allocation subject to the provisions of the SEBI Regulations.

In the opinion of our Board (based on a certificate given by the Underwriters), the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12 (1) of the SEBI Act or registered as brokers with the Stock Exchange(s).

Notwithstanding the table above, the BRLMs and the Syndicate Members shall be responsible for ensuring payment with respect to the Equity Shares allocated to the bidders procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure purchases for, or subscribe the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

The underwriting agreement shall list out the role and obligations of each Syndicate Member, and *inter alia* contain a clause stating that margin collected shall be uniform across all categories indicating the percentage to be paid as margin by the bidders at the time of Bidding.

CAPITAL STRUCTURE

Our Equity Share capital, as at the date of this RHP and after the proposed Offer is set forth below: -

(₹ in Million, except share data)

		Aggregate Value at Face value	Aggregate Value at Offer Price
A.	AUTHORISED SHARE CAPITAL		
	35,000,000 Equity Shares of ₹ 10/- each	350.00	
B.	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER		
	21,765,600 Equity Shares of ₹ 10/- each	217.66	
C.	PRESENT OFFER IN TERMS OF THIS RHP		
	Fresh Issue of [●] Equity Shares ⁽¹⁾	[●]	[●]
	Offer for Sale of upto 4,034,470 Equity Shares of ₹ 10/- each ⁽²⁾	[●]	[●]
	Of which:		
	(i) Employee Reservation Portion of upto [●] Equity Shares	[●]	[●]
	(ii) Net Offer:		
	QIB Portion of [●] Equity Shares	[●]	[●]
	Non-Institutional Portion of not less than [●] Equity Shares	[●]	[●]
	Retail Portion of not less than [●] Equity Shares	[●]	[●]
D	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER		
	[●] Equity Shares of ₹ 10/- each	[●]	[●]
E	SECURITIES PREMIUM ACCOUNT		
	Before the Offer	289.63	
	After the Offer	[●]	

⁽¹⁾The Offer has been authorised by the Board of Directors of our Company at its meeting held on July 24, 2015 and by the shareholders of our Company at the Annual General Meeting held on September 1, 2015.

⁽²⁾The Offer comprises an Offer for Sale upto 4,034,470 Equity Shares by the Selling Shareholders. The current shareholding of the Selling Shareholders and the maximum number of Equity Shares offered by them is detailed as follows:

Sr. No.	Name of the Selling Shareholder	Maximum Number of Equity Shares Offered	Pre-Offer		Post-Offer	
			Number of Equity Shares	% of Paid-up Capital	Number of Equity Shares	% of Paid-up Capital
Promoter Group Selling Shareholders						
1.	Chandrakant Rathi Innovations and Projects Private Limited	400,000	4,295,400	19.73	[●]	[●]
2.	Mr. Kishor Laxminarayan Rathi	50,000	343,200	1.58	[●]	[●]
3.	Mrs. Mangala Madhusudan Kabra	30,000	117,120	0.54	[●]	[●]
4.	Mr. Vasant Laxminarayan Rathi	1,700,000	7,480,900	34.37	[●]	[●]
5.	Vasant and Prabha Rathi Generation Trust	500,000	1,500,000	6.89	[●]	[●]

	TOTAL (A)	2,680,000	13,736,620	63.11	[●]	[●]
Investor Selling Shareholders						
1.	Kotak India Venture (Offshore) Fund	336,600	336,600	1.55	[●]	[●]
2.	Kotak India Venture Fund I	162,700	679,900	3.12	[●]	[●]
3.	Kotak Employees Investment Trust	17,900	17,900	0.08	[●]	[●]
	TOTAL (B)	517,200	1,034,400	4.75	[●]	[●]
Other Selling Shareholders-I						
	The List of Other Selling Shareholders-I has been provided in Annexure 'A'.	447,270	787,660	3.62	[●]	[●]
	TOTAL (C)					
Other Selling Shareholders-II						
1.	Mr. Pradip Bhailal Shah	350,000	750,800	3.45	[●]	[●]
2.	Mr. Mukund Madhusudan Kabra	40,000	381,100	1.75	[●]	[●]
	TOTAL (D)	390,000	1,131,900	5.20	[●]	[●]
	TOTAL (A+B+C+D)	4,034,470	16,690,580	76.68	[●]	[●]

Chandrakant Rathi Innovations and Projects Private Limited has approved offer for sale of Equity Shares pursuant to a resolution passed by its Board of Directors on January 11, 2016 and has conveyed its intention to participate in the Offer for Sale vide its transmittal letter dated January 11, 2016. The remaining Promoter Group Selling Shareholders have approved the offer for sale of Equity Shares offered by them, pursuant to their respective Promoter Group Selling Shareholders Transmittal Letters. Further, Mr. Kishor Laxminarayan Rathi has provided an amendment transmittal letter dated May 16, 2016 for the offer for sale of Equity Shares offered by him. Kotak India Venture (Offshore) Fund have approved the offer for sale of Equity Shares offered by them, pursuant to resolution dated January 11, 2016; Kotak India Venture Fund I have approved the offer for sale of Equity Shares offered by them, pursuant to resolution dated December 10, 2015 and Kotak Employees Investment Trust have approved the offer for sale of Equity Shares offered by them, pursuant to resolution dated December 18, 2015. The Investor Selling Shareholders have conveyed their intention to participate in the Offer for Sale vide their respective Investor Selling Shareholders Consent Letters. The Other Selling Shareholders-I have conveyed their intention to participate in the Offer for Sale vide their respective Other Selling Shareholders-I Consent Letters. The Other Selling Shareholders-II have conveyed their intention to participate in the Offer for Sale vide their respective Other Selling Shareholders-II Transmittal Letters.

1. The Equity Shares offered by the Selling Shareholders have been held for a period of more than one year prior to the date of filing of the DRHP and, hence, are eligible for being offered for sale in the Offer.
2. **Details of increase in authorised share capital since incorporation**

The authorized share capital of the Company at the time of incorporation was ₹ 0.2 million divided into 2,000 Equity Shares of ₹ 100/- (Rupees Hundred only) each. The following table gives the increase in the Authorised Share Capital post Incorporation of our Company: -

Sr. No.	Particulars of increase	Date of Shareholder's meeting	AGM/ EGM
1.	Increase in authorized share capital from ₹ 200,000 divided into 2,000 Equity Shares of ₹ 100/- each to ₹ 2,500,000/- divided into 25,000 Equity Shares of ₹100/- each.	July 15, 1991	EGM
2.	Increase in authorized share capital from ₹ 25,00,000/- divided	December 2, 1991	AGM

Sr. No.	Particulars of increase	Date of Shareholder's meeting	AGM/ EGM
	into 25,000 Equity Shares of ₹ 100/- each to ₹ 10,000,000/- divided into 100,000 Equity Shares of ₹100/- each.		
3.	Reorganization of authorized share capital from ₹ 10,000,000 divided into 100,000 Equity Shares of ₹100/- each to ₹ 10,000,000/- divided into 1,000,000 Equity Shares of ₹ 10/- each.	April 21, 1992	EGM
4.	Increase in authorized share capital from ₹ 10,000,000/- divided into 1,000,000 Equity Shares of ₹ 10 each to ₹ 30,000,000/- divided into 3,000,000 Equity Shares of ₹ 10/- each.	April 21, 1992	EGM
5.	Increase in authorized share capital from ₹ 30,000,000 divided into 3,000,000 Equity Shares of ₹ 10/- each to ₹ 40,000,000/- divided into 4,000,000 Equity Shares of ₹10/- each.	September 24, 1993	AGM
6.	Increase in authorized share capital from ₹ 40,000,000 divided into 4,000,000 Equity Shares of ₹ 10 each to ₹ 60,000,000 divided into 6,000,000 Equity Shares of ₹10/- each.	October 31, 1994	EGM
7.	Increase in authorized share capital from ₹ 60,000,000 divided into 6,000,000 Equity Shares of ₹ 10/- each to ₹ 80,000,000/- divided into 6,000,000 Equity Shares of ₹ 10/- each and 200,000/- Preference Shares of ₹ 100/- each.	February 25, 2000	EGM
8.	Increase in authorized share capital from ₹ 80,000,000/- divided into 6,000,000 Equity Shares of ₹ 10/- each and 200,000 Preference Shares of ₹ 100/- each to ₹ 90,000,000/- divided into 6,000,000 Equity Shares of ₹ 10/- each and 300,000 Preference Shares of ₹ 100/- each.	January 12, 2001	EGM
9.	Reclassification of authorized share capital from 6,000,000 Equity Shares of ₹ 10/- each and 300,000 Preference Shares of ₹ 100/- each to 9,000,000 Equity Shares of ₹ 10/- each.	March 15, 2007	EGM
10.	Increase in authorized share capital from ₹ 90,000,000/- divided into 9,000,000 Equity Shares of ₹ 10 each to ₹ 150,000,000/- divided into 15,000,000 Equity Shares of ₹ 10 each.	March 15, 2007	EGM
11.	Increase in authorized share capital from ₹ 150,000,000/- divided into 15,000,000 Equity Shares of ₹ 10/- each to ₹ 350,000,000/- divided into 35,000,000 Equity Shares of ₹ 10/- each.	March 5, 2010	EGM

Notes to capital structure

1. Share capital history of our Company

A. The following is the history of the Equity Share capital of our Company:

Date of allotment of Equity Shares	No. of Equity Shares Allotted	Face Value (in ₹)	Issue Price (in ₹)	Nature of consideration	Reasons for allotment	Cumulative no. of Equity Shares	Cumulative paid-up Equity Capital (in ₹)	Cumulative Share Premium (in ₹)
March 15, 1989	100	100	100	Cash	Subscribers to the Memorandum of Association ⁽¹⁾	100	10,000	Nil
March 30, 1989	1,900	100	100	Cash	Preferential allotment	2,000	200,000	Nil
April 21,	Equity shares of the Company with a face value of ₹ 100/-					20,000	200,000	Nil

Date of allotment of Equity Shares	No. of Equity Shares Allotted	Face Value (in ₹)	Issue Price (in ₹)	Nature of consideration	Reasons for allotment	Cumulative no. of Equity Shares	Cumulative paid-up Equity Capital (in ₹)	Cumulative Share Premium (in ₹)
1992	each were sub-divided into equity shares with a face value of ₹ 10/- each.							
March 31, 1993	1,646,800	10	10	Cash	Preferential allotment	1,666,800	16,668,000	Nil
March 31, 1994	2,124,800	10	10	Cash	Preferential allotment	3,791,600	37,916,000	Nil
March 31, 1994*	208,400	10	10	Shares issued against acquisition	Shares issued against acquisition/ takeover of business, assets and liabilities of M/s. Super Organic Research Laboratories	4,000,000	40,000,000	Nil
December 29, 1994	400,000	10	50	Cash	Preferential allotment of 4,00,000 equity shares	4,400,000	44,000,000	16,000,000
December 29, 1994	400,000	10	50	Cash	Rights Issue of 4,00,000 equity shares in the ratio of 1:10	4,800,000	48,000,000	32,000,000
March 29, 1996	530,000	10	30	Cash	Preferential allotment	5,330,000	53,300,000	42,600,000
November 11, 2002+	(247,200)	10	50	Cash	Buyback of equity shares	5,082,800	50,828,000	32,712,000
November 14, 2002	100,000	10	26	Cash	Allotment to ABL Employee Stock Option Trust	5,182,800	51,828,000	34,312,000
March 15, 2007**	5,182,800	10	NA	--	Bonus equity shares issued in the ratio of 1:1	10,365,600	103,656,000	10,825,000
March 18, 2010***	10,365,600	10	NA	--	Bonus equity shares issued in the ratio of 1:1	20,731,200	207,312,000	Nil
July 30, 2012****	697,800	10	290	Cash	Preferential allotment	21,429,000	214,290,000	195,384,000
November 30, 2012*****	336,600	10	290	Cash	Preferential allotment	21,765,600	217,656,000	289,632,000

¹⁾Subscription by Mrs. Savita Chandrakant Rathi and Mr. Laxminarayan Rathi

*Equity shares worth ₹ 2,084,000/- (Rupees Two million Eighty four Thousand only) were issued to (i)Mr. Kishanlal Chatrabhuj Rathi, (ii)Mrs. Mangala Madhusudan Kabra, (iii)Mrs. Champabai L. Rathi, (iv)Mrs. Fulabai R. Rathi, (v)Chandrakant Laxminarayan Rathi HUF through its Karta, (vi) Kishor Laxminarayan Rathi HUF through its Karta. (vii) Mr. Kishor Laxminarayan Rathi (viii) Mr. Chandrakant Laxminarayan Rathi and (ix)Mr. B.B Bajaj, being the partners of erstwhile M/s. Super Organic Research Laboratories ("SORL") against its book value of ₹ 2,086, 796/ (Rupees Two million Eighty Six Thousand Seven Hundred and Ninety Six only) under agreement dated October 5, 1993, entered into

between our Company and SORL. The balance amount of book value being ₹ 2,796/- (Rupees Two Thousand Seven Hundred and Ninety Six only) was settled in cash.

****5,182,800** bonus shares were issued to eligible shareholders in the ratio of 1:1 by way of capitalization of capital redemption reserves of ₹28,341,000/- and share premium account of ₹23,487,000/-.

***** 10,365,600** bonus shares were issued to eligible shareholders in the ratio of 1:1 by way of capitalization of share premium account of ₹10,825,000/- and profit and loss account of Reserves and Surplus of ₹92,831,000/-.

****** 679,900 and 17,900** Equity Shares allotted to Kotak India Venture Fund I and Kotak Employees Investment Trust, respectively pursuant to a Share Subscription and Shareholders Agreement dated June 22, 2012.

*******336,600** Equity Shares allotted to Kotak India Venture (Offshore) Fund pursuant to the aforesaid Share Subscription and Shareholders Agreement dated June 22, 2012.

+ A Board resolution dated October 3, 2002 was passed by the Company for buy-back of upto 3,16,000 Equity Shares at a price of ₹ 50/- per Equity Share, representing 5.92% of the total paid-up equity capital of the Company not exceeding ₹ 1,58,00,000/- representing upto 10% of the paid-up equity capital and free reserves of the Company as on March 31, 2002 in terms of section 77A of the Companies Act, 1956 and the Private Limited Company and Unlisted Public Limited Company (Buy-Back of Securities) Rules, 1999. The buyback offer opened on October 8, 2002 and closed on October 25, 2002 and 2,47,200 Equity Shares were offered by the shareholders under the buyback scheme. The Company completed buyback of the said shares on October 31, 2002. None of the Promoters participated in the buyback offer. On November 11, 2002, the equity shares bought back under the offer were extinguished and thus all buyback formalities were completed on this date.

B. The following is the history of the preference share capital of our Company:

Date of the allotment of Preference Shares	No. of Preference Shares	Face Value (in ₹)	Issue Price (in ₹)	Nature of consideration	Reasons for allotment	Cumulative no. of Preference Shares	Cumulative paid-up Preference Capital (in ₹)	Cumulative Securities Premium (in ₹)
April 1, 2000	150,000 ⁽¹⁾	100	100	Cash	Preferential Allotment	150,000	15,000,000	Nil
May 26, 2000	50,000 ⁽²⁾	100	100	Cash	Preferential Allotment	200,000	20,000,000	Nil
January 31, 2001	58,690 ⁽³⁾	100	100	Cash	Preferential Allotment	258,690	25,869,000	Nil

(1) Allotment to Mr. Vasant Laxminarayan Rathi.

(2) Allotment to Mr. Vasant Laxminarayan Rathi.

(3) Allotment to Mr. Vasant Laxminarayan Rathi.

The preference shares of the Company have been redeemed vide Board Resolution dated March 13, 2003, therefore, as on date, the Company does not have any outstanding preference shares. Further, the Company had duly complied with Section 80 of the Companies Act, 1956 and had formed a capital redemption reserve for redemption of the abovementioned Preference Shares.

Equity Shares issued for consideration other than cash

Other than three issues made by us, details of which are set out in the table below, we have made no issues of Equity Shares for consideration other than cash:

Date of the allotment	No. of Equity Shares	Issue Price (in ₹)	Reasons for allotment	Benefits accruing to the Company	Persons to whom the allotment were made	Date of the allotment
March 31, 1994	208,400	10	Shares issued against takeover of M/s. Super Organic Research Laboratories (“SORL”)	The equity shares were issued in consideration for the takeover of business, assets and liabilities of SORL.	(i) Mr. B. B. Bajaj; (ii) Mr. Kishanlal Chatrabhuj Rathi; (iii) Mr. Kishor Laxminarayan Rathi; (iv) Mr. Chandrakant Laxminarayan Rathi; (v) Mrs. Champabai L. Rathi (vi) Mr. M.M Kabra; (vii) Mrs. Fulabhai Rathi; (viii) C.L Rathi (HUF); and (ix) K.L Rathi (HUF).	March 31, 1994
March 15, 2007	5,182,800	10	Bonus issue of Equity Shares in the ratio 1:1 by way of capitalization of capital redemption reserves of ₹ 28,341,000/- and share premium account of ₹ 23,487,000/-.	NIL	Shareholders as on March 15, 2007	March 15, 2007
March 18, 2010	10,365,600	10	Bonus issue of Equity Shares in the ratio 1:1 by way of capitalization of share premium account of ₹ 10,825,000/- and profit and loss account of ₹ 92,831,000/-	NIL	Shareholders as on March 15, 2010	March 18, 2010

2. Till date no Equity Shares have been allotted by our Company pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956.

3. ***Build-up of Promoters’ capital, Promoter’s contribution and lock-in***

a) History of Equity Share capital held by the Promoters:

As on the date of this RHP, our Promoters hold 7,490,200 Equity Shares, constituting 34.41% of the issued, subscribed and paid-up Equity Share capital of our Company.

Mr. Vasant Laxminarayan Rathi[#]

Date of Allotment/ Transfer and Date when made fully paid-up	No. of Equity Shares Offered/ Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer / Acquisition Price (in ₹)	Consideration	Nature of Transaction	% of Pre- Offer Paid-up Capital	% of Post - Issue Paid-up Capital	Source of Funds
March 31, 1993*	882,100	882,100	10	10	Cash	Preferential Allotment	4.05	[●]	Personal Funds
March 31, 1994	1,085,300	1,967,400	10	10	Cash	Preferential Allotment	4.99	[●]	Personal Funds
October 11, 1994*	(640,100)	1,327,300	10	10	Cash	Transfer to Chandrakant Rathi Innovations and Projects Private Limited – 48,100 Super Biochemicals Private Limited – 5,87,000 Ms. Gunvanti Shah – 2,500 Mr. Suresh Shah – 2,500	(2.94)	[●]	-
December 29, 1994*	193,600	1,520,900	10	50	Cash	Rights Issue	0.89	[●]	Personal Funds
December 30, 1994*	(20,000)	1,500,900	10	10	Cash	Transfer to Unit Trust of India (A/C Vecaus - I)	(0.09)	[●]	-
March 29, 1996	200,000	1,700,900	10	30	Cash	Preferential Allotment	0.92	[●]	Personal Funds
August 7, 1998*	1,200	1,702,100	10	50	Cash	Transfer from Mr. Aziz Kherani	0.01	[●]	Personal Funds
August 7, 1998*	11,500	1,713,600	10	10	Cash	Transfer from Mr. Aziz Kherani	0.05	[●]	Personal Funds
July 20, 2000*	43,700	1,757,300	10	10	Cash	Transfer from Mr. Ramesh Shah	0.20	[●]	Personal Funds
May 3, 2001*	62,600	1,819,900	10	10	Cash	Transfer from Cal-India	0.29	[●]	Personal Funds
May 24, 2003*	458,300	2,278,200	10	54.54	Cash	Transfer from Unit Trust of India (A/C Vecaus - I)	2.11	[●]	Personal Funds
March 15, 2007*	(25,000)	2,253,200	10	NA	NA	Transfer to Mr. Mukund	(0.11)	[●]	-

Date of Allotment/ Transfer and Date when made fully paid-up	No. of Equity Shares Offered/ Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer / Acquisition Price (in ₹)	Consideration	Nature of Transaction	% of Pre- Offer Paid-up Capital	% of Post - Issue Paid-up Capital	Source of Funds
						Kabra (Gift)			
March 15, 2007	2,253,200	4,506,400	10	NA	NA	Bonus Issue in the ratio 1:1.	10.35	●	-
August 17, 2009	(35,000)	4,471,400	10	10	Cash	Transfer to Mr. Mukund Kabra - 10,000 Mr. Piyush Rathi - 5,000 Dr. Anil Kumar Gupta - 10,000 Mr. Dipak Roda - 5,000. Mr. Beni Rauka - 5,000.	(0.16)	●	-
March 18, 2010	4,471,400	8,942,800	10	NA	NA	Bonus Issue in the ratio 1:1.	20.54	●	-
October 22, 2012	(55,900) ^	8,886,900	10	NA	NA	Transfer to Mr. Mukund Kabra on behalf of ABL Employees. Stock Option. Trust (Gift).	(0.26)	●	-
February 4, 2013	(6,000) ^	8,880,900	10	NA	NA	Transfer to Mr. Mukund Kabra on behalf of ABL. Employees Stock Option Trust (Gift).	(0.03)	●	-
October 25, 2013	(600,000)	8,280,900	10	Nil	Nil	Gift to Vasant and Prabha Rathi Generation Trust	2.76	●	-
May 9, 2016	(100,000)	8,180,900	10	NA	Nil	Gift to Rasika Rathi	(0.46)	●	-
May 9, 2016	(75,000)	8,105,900	10	NA	Nil	Gift to Rachana Rathi	(0.34)	●	-
May 9,	(75,000)	8,030,900	10	NA	Nil	Gift to	(0.34)	●	-

Date of Allotment/ Transfer and Date when made fully paid-up	No. of Equity Shares Offered/ Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer / Acquisition Price (in ₹)	Consideration	Nature of Transaction	% of Pre- Offer Paid-up Capital	% of Post - Issue Paid-up Capital	Source of Funds
2016						Reshma Rathi			
May 9, 2016	(50,000)	7,980,900	10	266.02	Cash	Transfer to Rasika Rathi	(0.23)	【●】	-
May 9, 2016	(250,000)	7,730,900	10	266.02	Cash	Transfer to Rachana Rathi	(1.15)	【●】	-
May 9, 2016	(250,000)	7,480,900	10	266.02	Cash	Transfer to Reshma Rathi	(1.15)	【●】	-
Total	7,480,900						34.37	【●】	

*Equity shares held jointly by Mr. Vasant Laxminarayan Rathi and Mrs. Prabha V. Rathi

[^] Mr. Vasant Laxminarayan Rathi has transferred 61,900 equity shares of the Company held by him in his personal capacity (as part of his individual shareholding) to ABL Employee Stock Option Trust as and by way of gift.

[#] Mr. Vasant Laxminarayan Rathi also holds 15,00,000 Equity Shares on behalf of Vasant and Prabha Rathi Generation Trust.

Mr. Chandrakant Laxminarayan Rathi

Date of Allotment/ Transfer and Date when made fully paid-up	No. of Equity Shares Offered/ Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer / Acquisition Price (in ₹)	Consideration	Nature of Transaction	% of Pre- Offer Paid-up Capital	% of Post - Issue Paid-up Capital	Source of Funds
March 31, 1993**	67,000	67,000	10	10	Cash	Preferential Allotment	0.31	【●】	Personal Funds
March 31, 1994	126,600	193,600	10	10	Shares issued against takeover of SORL	Preferential Allotment	0.58	【●】	Personal Funds
September 5, 1994**	8,400	202,000	10	10	Cash	Transfer from Mr. Madhubai Rathi	0.04	【●】	Personal Funds
October 11, 1994**	(165,400)	36,600	10	10	Cash	Transfer to Chandrakant Rathi Innovations and Projects Private Limited	(0.76)	【●】	-
October 11, 1994**	(36,600)	Nil	10	10	Cash	Transfer to Chandrakant Rathi Innovations and Projects Private Limited	(0.17)	【●】	-
September	500	500	10	10	Cash	Transfer from	0.00	【●】	Personal

Date of Allotment/ Transfer and Date when made fully paid-up	No. of Equity Shares Offered/ Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer / Acquisition Price (in ₹)	Consideration	Nature of Transaction	% of Pre- Offer Paid-up Capital	% of Post - Issue Paid-up Capital	Source of Funds
5, 1997**						Ms. Kalpana Deshmukh			Funds
June 22, 2005	800	1,300	10	100	Cash	Transfer from Mrs. Alka Maheshwari	0.00	[●]	Personal Funds
March 15, 2007	1,300	2,600	10	NA	NA	Bonus Issue in the ratio 1:1	0.01	[●]	-
March 18, 2010	2,600	5,200	10	NA	NA	Bonus Issue in the ratio 1:1	0.01	[●]	-
June 3, 2014	3,000	8,200	10	200	Cash	Transfer from B. Dasgupta	0.01	[●]	Personal Funds
May 23, 2016	1,100	9,300	10	12.50	Cash	Transfer from C.L.Rathi (H.U.F.)	0.01	[●]	Personal Funds
Total	9,300						0.04	[●]	

***Equity shares held jointly by Mr. Chandrakant Laxminarayan Rathi and Mrs. Savita Rathi.*

a) Details of Promoters' contribution locked in for three years:

Pursuant to the SEBI Regulations, an aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoters, shall be locked-in for a period of three years from the date of Allotment and our Promoters' shareholding in excess of 20% shall be locked-in for a period of one year from the date of Allotment ("Promoters' Contribution").

The Equity Shares which are being locked in for three years from the date of Allotment are as follows:

Promoters	No. of Equity Shares Locked in	Face Value (in ₹)	Date of Acquisition and when made fully paid-up	Nature of Allotment/ Transfer	Consideration (Cash/other than cash)	Percentage of post- Offer paid-up capital
[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]

The figures to be provided in this table shall be finalised upon determination of the Offer Price and the number of Equity Shares to be issued in the Offer, consequent to the Book Building Process. Please refer to Point 5(a) above - "History of Equity Share capital held by the Promoters" for the build-up of share capital of Mr. Vasant Laxminarayan Rathi and Mr. Chandrakant Laxminarayan Rathi.

The Equity Shares that are being locked-in are eligible for computation of Promoter's Contribution under Regulation 33 of the SEBI Regulations. In this connection, as per Regulation 33 of the SEBI Regulations, our Company confirms that the Equity Shares locked-in do not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets or bonus shares out of revaluations reserves or unrealised profits or bonus shares of shares which are otherwise ineligible for computation of Promoters' Contribution;
- Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

- (iii) Equity Shares issued to the Promoters upon conversion of a partnership firm;
- (iv) Equity Shares held by the Promoters that are subject to any pledge; and
- (v) Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the Promoters' Contribution subject to lock-in.

The minimum Promoters' Contribution shall be brought in to the extent of, not less than the specified minimum lot and from the persons defined as "Promoters" under the SEBI Regulations.

Details of share capital locked in for one year

Other than the above Equity Shares that would be locked in for 3 years, the entire pre-Offer capital of our Company would be locked-in for a period of 1 year from the date of Allotment in the Offer pursuant to Regulation 36(b) and Regulation 37 of the SEBI Regulations, save and except (i) 517,200 Equity Shares held by Kotak India Venture Fund I (assuming full subscription of Equity Shares offered by Kotak India Venture Fund I in the Offer for Sale) and (ii) 271,340 Equity Shares held pursuant to allotment under ESOP 2002 by persons who are employees of our Company as on the date of Allotment.

Other requirements in respect of lock-in

Pursuant to Regulation 39 of the SEBI Regulations, the locked-in Equity Shares held by the Promoters, as specified above, can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or public financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Provided that securities locked in as Promoters' Contribution for 3 years under Regulation 36(a) of the SEBI Regulations may be pledged only if, in addition to fulfilling the above requirement, the loan has been granted by such scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Offer.

Pursuant to Regulation 40 of the SEBI Regulations, Equity Shares held by the Promoters may be transferred to and amongst the Promoters, the Promoter Group or to new promoters or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations.

Further, pursuant to Regulation 40 of the SEBI Regulations, the Equity Shares held by persons other than the Promoters prior to the Offer may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI Regulations, along with the Equity Shares proposed to be transferred, provided that lock-in on such Equity Shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI Regulations has ended, subject to compliance with the SEBI Takeover Regulations, as applicable.

Lock-in of Equity Shares Allotted to Anchor Investors:

In terms of Schedule XI of the SEBI Regulations, the Equity Shares, if any, allotted to Anchor Investors shall be locked in for a period of 30 days from the date of Allotment of such Equity Shares.

ABL – Employee Stock Option Scheme ("ESOP 2002")

By a Deed of Trust dated June 14, 2002, Mr. C. L. Rathi formed a trust namely ABL Employee Stock Option Trust for the benefit of the employees of the Company (including its working directors) and its affiliates. Mr. V. L. Rathi, Mr. C. L. Rathi, Mr. Mukund Kabra, Mrs. M.M. Kabra and Mr. K. L. Rathi are the present trustees of the trust of which Mr. V. L. Rathi, Mr. C. L. Rathi, Mrs. M.M. Kabra and Mr. K. L. Rathi also form part of the Promoter and Promoter Group. The primary objective of the trust was to enable the employees (the beneficiaries under the Trust) to participate in the stock ownership of the Company subject to applicable laws. Any trustee being an employee of the Company could with the written permission of the Company be entitled to the benefits of the Trust. Further, the Trustees were entitled to reimbursement of the expenses incurred by them.

The Company had instituted an employee stock option plan, namely the ABL – Employee Stock Option Scheme (“**ESOP 2002**”) pursuant to a resolution of the Board of Directors dated May 7, 2002 and resolution of the shareholders in Annual General Meeting dated June 4, 2002. The objective of ESOP 2002 was employee engagement and long term retention by providing employees of the Company an opportunity to participate in the Company’s anticipated valuation enhancement by contributing to superior performance and shareholder returns. The total number of options that were granted under ESOP 2002 was 1,00,000 (One option equivalent to 1 Equity Share of the Company) commencing from FY 2003. Vesting of the granted options was spread over a period of four years in the ratio of 10%, 20%, 30% and 40%. The Company granted options during the Fiscal 2003, Fiscal 2004, Fiscal 2005, Fiscal 2007 and Fiscal 2010.

The Company undertook a bonus issue of Equity Shares in the ratio of one Equity Share for every one Equity Share held on March 15, 2007 and then again in same ratio on March 18, 2010. As on the date of this RHP, there are no options remain unvested under the Scheme. All the options granted under ESOP 2002 have been exercised by the employees and the ESOP 2002 has lapsed as on the date of this RHP. The scheme was formulated on June 01, 2002 subject to the provisions of the Companies Act, 1956 and SEBI (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999. Following table sets forth the particulars of the options granted under ESOP 2002:

Particulars	
Options granted	1,00,000 options, out of which: 24,000 were issued in Fiscal 2003; 25,400 were issued in Fiscal 2004; 29,000 were issued in Fiscal 2005; 21,600 were issued in Fiscal 2007 (4800 of these were from lapsed options) 3,350 were issued in Fiscal 2010, out of lapsed options
The pricing formula	At book value of the preceding financial year.
Options vested (excluding the options that have been exercised)	1,00,000
Options exercised	1,00,000
The total number of Equity Shares arising as a result of exercise of options (including options that have been exercised)	1,00,000
Options forfeited / lapsed / cancelled	Option lapsed and granted back as per Scheme were 8,150 over Fiscal 2007 and Fiscal 2010
Variation of terms of options	NIL
Quantum of options	One option is equivalent to 1 Equity Share of the Company.
Money realised by exercise of options	₹ 2.60 Million
Total number of options in force	Nil
Person wise details of options granted to	
(i) Directors and senior managerial personnel	Please see Note 1 below.
(ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	Please see Note 2 below.
(iii) Identified employees who are granted options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil
Fully diluted EPS pursuant to issue of shares on exercise of options in accordance with the relevant accounting standard	Not Applicable.
Difference, if any, between employee compensation cost calculated according using the intrinsic value of stock options and the employee compensation cost calculated on	Not Applicable.

Particulars	
the basis of fair value of stock options and impact on the profits of our Company and on the EPS arising due to difference in accounting treatment and for calculation of the employee compensation cost (i.e. difference of the fair value of stock options over the intrinsic value of the stock options)	
Weighted average exercise price and the weighted average fair value of options whose exercise price either equals or exceeds or is less than the market price of the stock.	Not Applicable.
Vesting Schedule	Please see Note 3 below.
Method and significant assumptions used to estimate the fair value of options granted during the year:	Shares were offered under the scheme on book value of share of preceding financial year.
Lock-in	One year from the date of exercise as all options got exercised by FY 2010 therefore one year lock in period already expired
Impact on profits and on EPS of the last three years if the Company had followed accounting policies specified in clause 13 of the SEBI ESOP Guidelines in respect of options granted in the last three years	Impact on EPS for the last three years : NIL * * The Company allotted 100000 equity shares to ABL Employee Stock Option Trust ("the Trust") on 14.11.2002 and shares got transferred to respective employees on vesting and exercise over a period of time. The Trust also got bonus shares on option lapsed, out of which 3,350 shares were reissued in FY 2010. This issuance did not impact the profit or EPS of the company on account of being issued out of lapsed options.
Intention of the holders of Equity Shares allotted on exercise of options to sell their Equity Shares within three months after the listing of Equity Shares pursuant to the Offer	Employees holding Equity Shares at the time of listing of the Equity Shares pursuant to the Offer, may at their own discretion sell the Equity Shares issued in connection with the exercise of options granted under ESOP 2002 within a period of 3 months from the date of listing of the Equity Shares.
Intention to sell Equity Shares arising out of ESOP 2002 within three months after the listing of Equity Shares by Directors, senior management personnel and employees having Equity Shares arising out of the ESOP 2002, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	Not Applicable, as Company has not granted equity shares arising out of options under ESOP 2002 amounting to more than 1% of issued capital of the Company.

Note 1: Details regarding employee stock options granted to Directors and senior managerial personnel under ESOP 2002 are set forth below:

Name of Director/ Key Management Personnel	Total no. of options granted	No. of options exercised	Total no. of options outstanding	Total No. of Equity Shares held
Mrs. Savita Chandrakant Rathi	4,500	4,500	Nil	74,300
Mr. Mukund Madhusudan Kabra	14,500	14,500	Nil	3,81,100*
Mr. Beni Prasad Rauka	7,000	7,000	Nil	48,000
Mr. Dipak Roda	2,850	2,850	Nil	26,400
Ms. Mangala Madhusudan Kabra	6,000	6,000	Nil	1,17,120
Mr. Kishor Laxminarayan Rathi	6,000	6,000	Nil	343,200
Dr. Anil Kumar Gupta	6,000	6,000	Nil	49,000
Mr. Satish Pagar	3,800	3,800	Nil	11,700
Mr. Rajendra Newase	2,700	2,700	Nil	9,400

*900 Equity Shares are held on behalf of ABL Employees Stock Option Trust

Note 2: Details of employees who received a grant in any one year of options amounting to 5% or more of the options granted during the year under ESOP 2002 are set forth below:

Name of the Employee	Year				
	2002-03	2003-04	2004-05	2006-07	2009-10
Ms. Savita Chandrakant Rathi	1,500	1,500	1,500	-	-
% of total Option granted during the year	6.25%	5.91%	5.17%	-	-
Mr. Mukund Madhusudan Kabra	1,500	1,500	1,500	10,000	-
% of total Option granted during the year	6.25%	5.91%	5.17%	37.88%	-
Ms. Mangala Madhusudan Kabra	1,500	1,500	1,500	1,500	-
% of total Option granted during the year	6.25%	5.91%	5.17%	5.68%	-
Dr. Anil Kumar Gupta	1,500	1,500	1,500	1,500	-
% of total Option granted during the year	6.25%	5.91%	5.17%	5.68%	-
Mr. Kishor Laxminarayan Rathi	1,500	1,500	1,500	1,500	-
% of total Option granted during the year	6.25%	5.91%	5.17%	5.68%	-
Mr. Narayan. Y. Patil	1,300	1,300	1,500	-	-
% of total Option granted during the year	5.42%	5.12%	5.17%	-	-
Mr. G.C.Gore	1,300	-	-	-	-
% of total Option granted during the year	5.42%	-	-	-	-
Mr. Sandeep Chaudhari	1,200	-	-	-	-
% of total Option granted during the year	5.00%	-	-	-	-
Mr. Beni Prasad Rauka	-	3,000	1,500	-	2,500
% of total Option granted during the year	-	11.81%	5.17%	-	74.62%
Ms. Saylee Samir Pradhan	-	1,500	1,500	-	-
% of total Option granted during the year	-	5.91%	5.17%	-	-
Ms. Shilpa Risbud	-	1,500	1,500	-	-
% of total Option granted during the year	-	5.91%	5.17%	-	-
Mr. S.Rao	-	-	1,500	-	-
% of total Option granted during the year	-	-	5.17%	-	-
Mr. Dipak Roda	-	-	-	2,000	850
% of total Option granted during the year	-	-	-	7.58%	25.38%
Mr. Bhaskar Manolkar	-	-	-	1,500	-
% of total Option granted during the year	-	-	-	5.68%	-

The total number of options granted are 1,08,150 including 8,150 options re-granted on account of lapsed option grants including bonus shares on lapsed option grants issued by the Company in Fiscal 2010.

Note 3: The vesting schedule for the options granted under ESOP 2002 was as follows:

Vesting period from the date of grant of options	Percentage of options (%)
- on grant within 3 months	10
- on completion of 12 months	20
- on completion of 24 months	30
- on completion of 36 months	40

Details of the shareholding of present Employees under the ESOP Scheme:

Employee Name	ESOP shares	ESOP shares with bonus	Total Number of Shares held as on date
Mrs. Savita Chandrakant Rathi	4,500	18,000	74,300
Mr. Mukund Madhusudan Kabra	14,500	58,000	381,100
Ms.Mangala Madhusudan Kabra	6,000	24,000	117,120
Dr. Anil Kumar Gupta	6,000	24,000	49,000
Mr.Kishor Laxminarayan Rathi	6,000	24,000	343,200
Mr.Beni Prasad Rauka	7,000	28,000	48,000
Ms.Saylee Samir Pradhan	4,000	16,000	17,000
Mr.Dipak Roda	2,850	11,400	26,400
Mr.Bhaskar M. Manolkar	2,500	10,000	10,500
Mr.Atul Biyani	2,900	11,600	10,180
Mr.Bireshwar Das Gupta	2,500	10,000	7,800
Mr.Manik Babu Salunke	390	1,560	1,560
Mr.P.H. Bhosale	2,900	11,600	12,800
Mr.Prashant N. Bhavsar	2,600	10,400	7,900
Mr.R. N. Newase	2,700	10,800	9,400
Mr.Satish Pagar	3,800	15,200	11,700
Mr.Subhash D. Chakor	2,800	11,200	12,800
Mr.Vincent Alex Dias	2,800	11,200	14,000
TOTAL	76,740	306,960	1,154,760

Employee Stock Option Scheme 2015

Pursuant to the Board resolution dated November 28, 2015 and Shareholders' resolution dated December 23, 2015, our Company has adopted the “**Advanced Enzyme Technologies Limited – Employees Stock Option Scheme 2015**” (“**ESOS 2015**”) for issue of options to eligible employees under ESOS 2015, which may result in to issue of equity shares of face value ₹ 10/- (Rupees Ten) each, not exceeding 2,00,000 Equity Shares at such terms and conditions as may be decided by the Board. As on the date of this Red Herring Prospectus, no options have been granted by our Company under ESOS 2015. The ESOS 2015 is in compliance with the SEBI SBEB Regulations.

The following are the details of all options granted in the three years preceding the date of this Red Herring Prospectus:

Scheme	Grant	Number of Options Issued			Number of shares allotted on exercise of Options		
		Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014
N.A.	NIL	NIL	NIL	NIL	NIL	NIL	NIL

4. **Build-up of Selling Shareholders' capital in the Company:**

The Promoter Group Selling Shareholders are (i) Chandrakant Rathi Innovations and Projects Private Limited (ii) Mr. Kishor Laxminarayan Rathi; (iii) Mrs. Mangala Madhusudan Kabra; (iv) Mr. Vasant Laxminarayan Rathi; and (v) Vasant and Prabha Rathi Generation Trust.

The Investor Selling Shareholders are (i) Kotak India Venture (Offshore) Fund; (ii) Kotak India Venture Fund I; and (iii) Kotak Employees Investment Trust.

The Other Selling Shareholders-I have been detailed in Annexure – A. The Other Selling Shareholders-II are (i) Pradip Bhailal Shah; and (ii) Mukund Madhusudan Kabra.

As regards the capital build-up of Mr. Vasant Laxminarayan Rathi, please see Point 3 above on “*Build-up of Promoters' capital, Promoter's contribution and lock-in*”. The capital build-up of the Promoter Group Selling Shareholders, Investor Selling Shareholders and Other Selling Shareholders-II is as below:

Promoter Group Selling Shareholders

Chandrakant Rathi Innovations and Projects Private Limited

Date of Allotment/ Transfer and Date when made fully paid-up	No. of Equity Shares Offered/Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer / Acquisition Price (in ₹)	Consideration	Nature of Transaction	%age of Pre-Offer Paid-up Capital	%age of Post -Offer Paid-up Capital
October 11, 1994	975,700	975,700	10	10	Cash	Transfer ¹	4.48	[●]
December 29, 1994	5,200	980,900	10	50	Cash	Rights Issue	0.02	[●]
March 24, 1995	4,300	985,200	10	10	Cash	Transfer from Dr. Arun Padhye	0.02	[●]
September 13, 1995	5,000	990,200	10	50	Cash	Transfer from Kamla Jagdish Patel	0.02	[●]
September 13, 1995	5,000	9,95,200	10	50	Cash	Transfer from Mr. Jagdish Patel	0.02	[●]
September 18, 1996	600	9,95,800	10	10	Cash	Transfer from Mrs. Neeta Kelkar	0.00	[●]
March 12, 1997	100	995,900	10	10	Cash	Transfer from Ms. Laxmiben Solanki	0.00	[●]
March 12, 1997	600	9,96,500	10	10	Cash	Transfer from Mr. Gopalbhai Solanki	0.00	[●]
March 5, 1999	(41,000)	9,55,500	10	10	Cash	Transfer to Topaz Trading Company	(0.19)	[●]

Date of Allotment/ Transfer and Date when made fully paid-up	No. of Equity Shares Offered/Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer / Acquisition Price (in ₹)	Consideration	Nature of Transaction	%age of Pre-Offer Paid-up Capital	%age of Post -Offer Paid-up Capital
						Private Limited		
May 3, 2001	(10,000)	9,45,500	10	10	Cash	Transfer ²	(0.05)	●
May 24, 2001	32,000	9,77,500	10	54.54	Cash	Transfer from Unit Trust of India	0.15	●
July 4, 2001	2,600	9,80,100	10	30	Cash	Transfer from Mrs. Renuka Shah(1000 shares) Mr. Maniraj Cheetri (1000 shares) and Mr. Gopal Bhanushali (600 shares)	0.01	●
November 20, 2001	2,000	9,82,100	10	10	Cash	Transfer from Mr. Nandlal Shetiya	0.01	●
November 20, 2001	(48,200)	9,33,900	10	10	Cash	Transfer to Mr. Mukund Kabra (10,000 shares) and Mr. Kishor Rathi (38,200 shares)	(0.22)	●
August 9, 2002	(700)	9,33,200	10	10	Cash	Transfer to Ms. Usha Katdare	(0.00)	●
August 9, 2002	(800)	932,400	10	10	Cash	Transfer to Ms. Poonam Patwa	(0.00)	●
November 21, 2006	(15,000)	9,17,400	10	30	Cash	Transfer to Mr. Mukund Kabra	(0.07)	●
March 15, 2007	9,17,400	18,34,800	10	--	--	Bonus in the ratio 1:1	4.21	●
June 23, 2008	(15,000)	1,819,800	10	0.09	Cash	Transfer to Sri Sri Ravi Shankar Trust	(0.07)	●

Date of Allotment/ Transfer and Date when made fully paid-up	No. of Equity Shares Offered/Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer / Acquisition Price (in ₹)	Consideration	Nature of Transaction	%age of Pre-Offer Paid-up Capital	%age of Post -Offer Paid-up Capital
June 23, 2008	(10,700)	18,09,100	10	0.13	Cash	Transfer to Sri Sri Ravi Shankar Trust	(0.05)	[●]
September 15, 2009	2,000	18,11,100	10	80	Cash	Transfer from Mr. Narayan Patil	0.01	[●]
March 18, 2010	18,11,100	36,22,200	10	NA	NA	Bonus in the ratio 1:1	8.32	[●]
August 1, 2011	(1,000)	36,21,200	10	100	Cash	Transfer to Ms. Vandana Sarda	(0.00)	[●]
January 25, 2014	4,000	3,625,200	10	200	Cash	Transfer from Prashant Bhavsar	0.02	[●]
November 2, 2015	15,000	3,640,200	10	750	Cash	Transfer from Piyush Rathi	0.07	[●]
November 23, 2015	873,600	4,513,800	10	259.80	Cash	Transfer from Higuchi Inc.	4.01	[●]
December 5, 2015	(218,400)	4,295,400	10	265	Cash	Transfer to Arvind Varchaswi	(1.00)	[●]
Total	4,295,400						19.73	[●]

1 – Transfer from Mrs. Savita Rathi (314,700 shares), Mr. Laxminarayan Rathi (85,000 shares), Mrs. Nirmala Hirve (7,600 shares), Mr. Appasaheb Hirve (2,000 shares), Mr. Sayaji Hirve (1,500 shares), Mr. Laxman Kamble(1,980 shares), Mr. Mahadev Hirve (1,500 shares), Messrs Super Organic Research Laboratories (10 shares), Rathi Papains Private Limited (10 shares), Mr. Chandrakant Laxminarayan Rathi (202,000 shares), Ms. Champabai Rathi (80,800 shares), Mr. Kishor Rathi (5,200 shares), Mr. Vasant Laxminarayan Rathi (48,100 shares), Mrs. Prabha Rathi (96,300 shares), Mr. Balkrishna Bajaj (2,900 shares), Mr. B.B Bajaj (22,900 shares), Ms. Chandrabhaga Bajaj (10,500 shares), Mr. K.C Rathi (34,200 shares), Ms. Fulabai Rathi(25,500 shares) and Mr. K.L Rathi (33,000 shares).

2 – Transfer to Mr. Sakharam Remje (300 shares), Mr. Prabhakar Shinde (500 shares), Mr. Jitendra Pawar (500 shares), Mr. Manik Salunke (400 shares), Ms. Geetha Ramchandran (400 shares), Ms. Vaishali Patil (300 shares), Ms. Subbalaxmi Ayyar (500 shares), Mr. Mushtaque Patel (500 shares), Mr. Nandkumar Kshirsagar (300 shares), Mr. Arun Baith (400 shares), Mr. Tushar Deshmukh (400 shares), Mr. Vincent Dias (1,000 shares), Ms. Shilpa Risbud (200 shares), Ms. Saylee Pradhan (1,000 shares), Mr. KC Sangeeth Mohan (200 shares), Mr. Narendra Tejawani (200 shares), Mr. Narayan Patil (1000 shares), Mr. Sandeep Chaudhari (1,000 shares), Mr. Beni Prasad Rauka (500 shares) and Mr. Rajkamal Varshney(400 shares).

Mr. Kishor Laxminarayan Rathi

Date of Allotment/ Transfer and Date when made fully paid-up	No. of Equity Shares Offered/ Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer/ Acquisition Price (in ₹)	Consideration	Nature of Transaction	% of Pre- Offer Paid-up Capital	% of Post - Offer Paid-up Capital
March 31, 1993	5,200	5,200	10	10	Cash	Preferential allotment	0.02	●
March 31, 1994	33,000	38,200	10	10	Cash	Preferential allotment	0.15	●
October 11, 1994	(38,200)	NIL	10	10	Cash	Transfer to Chandrakant Rathi Innovations and Projects Private Limited	(0.18)	●
May 11, 1998	100	100	10	10	Cash	Transfer from Mr. Radheshyam Ahuja	0.00	●
May 11, 1998	100	200	10	10	Cash	Transfer from Neeta Ahuja	0.00	●
September 16, 1998	900	1,100	10	10	Cash	Transfer from Ms. Priti Bhandari	0.00	●
May 18, 1999	1,300	2,400	10	13.85	Cash	Transfer from Mr. Rajesh Mehta	0.01	●
June 15, 1999	600	3,000	10	10	Cash	Transfer from Ms. Usha Hejmody	0.00	●
June 15, 1999	600	3,600	10	10	Cash	Transfer from Mr. Vittal Hejmody	0.00	●
July 2, 1999	200	3,800	10	10	Cash	Transfer from Mr. Dilip Shah	0.00	●
July 2, 1999	100	3,900	10	10	Cash	Transfer from Mr. Bharat Shah	0.00	●
July 2, 1999	200	4,100	10	10	Cash	Transfer from Mr. Nitin Shah	0.00	●
July 2, 1999	100	4,200	10	10	Cash	Transfer from Mr. Shailesh Shah	0.00	●
July 2, 1999	100	4,300	10	10	Cash	Transfer	0.00	●

Date of Allotment/ Transfer and Date when made fully paid-up	No. of Equity Shares Offered/ Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer/ Acquisition Price (in ₹)	Consideration	Nature of Transaction	% of Pre- Offer Paid-up Capital	% of Post - Offer Paid-up Capital
						from Ms. Kalpana Shah		
April 10, 2000	1,500	5,800	10	75	Cash	Transfer from Mr. Nilesh Sikchi	0.01	●
April 10, 2000	1,500	7,300	10	75	Cash	Transfer from Ms. Sonal Sikchi	0.01	●
April 10, 2000	7,000	14,300	10	25	Cash	Transfer from Mr. Prakash Sikchi	0.03	●
April 10, 2000	500	14,800	10	25	Cash	Transfer from Mr. Prakashchand Mehta	0.00	●
November 30, 2000	500	15,300	10	25	Cash	Transfer from Ms. Gayatri V	0.00	●
November 30, 2000	500	15,800	10	25	Cash	Transfer from Ms. Nalini Ramani	0.00	●
January 16, 2001	1,500	17,300	10	15	Cash	Transfer from Mr. Lakhanlal Sahu	0.00	●
January 16, 2001	500	17,800	10	15	Cash	Transfer from Ms. Narmadabai Sahu	0.00	●
March 8, 2001	300	18,100	10	25	Cash	Transfer from Ms. Alka Maheshwari	0.00	●
March 19, 2001	600	18,700	10	10	Cash	Transfer from Ms. Sadhana Kamble	0.00	●
March 19, 2001	900	19,600	10	10	Cash	Transfer from Ms. Nirmala Mutha	0.00	●
March 19, 2001	500	20,100	10	10	Cash	Transfer from Ms. Swati Mutha	0.00	●
March 19, 2001	500	20,600	10	10	Cash	Transfer from Mr. Premraj	0.00	●

Date of Allotment/ Transfer and Date when made fully paid-up	No. of Equity Shares Offered/ Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer/ Acquisition Price (in ₹)	Consideration	Nature of Transaction	% of Pre- Offer Paid-up Capital	% of Post - Offer Paid-up Capital
						Mutha		
March 19, 2001	900	21,500	10	10	Cash	Transfer from Mr. Nileschkumar Mutha	0.00	●
May 3, 2001	500	22,000	10	25	Cash	Transfer from Mr. Gautamkumar Zambad	0.00	●
May 3, 2001	3,100	25,100	10	10	Cash	Transfer from Mr. Larry Schwartz	0.01	●
July 4, 2001	500	25,600	10	25	Cash	Transfer from Ms. Alka Tipre	0.00	●
July 4, 2001	300	25,900	10	10	Cash	Transfer from Mr. Sanatkumar Gujarati	0.00	●
July 4, 2001	100	26,000	10	25	Cash	Transfer from Ms. Boranaonkar Indumati	0.00	●
July 4, 2001	100	26,100	10	25	Cash	Transfer from Mr. Chandaliya Mandanlal	0.00	●
July 4, 2001	100	26,200	10	25	Cash	Transfer from Mr. Shirish Bhambare	0.00	●
July 4, 2001	100	26,300	10	25	Cash	Transfer from Mr. Eknath Rode	0.00	●
September 24, 2001	600	26,900	10	25	Cash	Transfer from Mr. Premraj Mutha	0.00	●
September 24, 2001	200	27,100	10	25	Cash	Transfer from Ms. Swati Mutha	0.00	●
November 20, 2001	38,200	65,300	10	10	Cash	Transfer from Chandrakant Rathi Innovations and Projects Private Limited	0.18	●

Date of Allotment/ Transfer and Date when made fully paid-up	No. of Equity Shares Offered/ Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer/ Acquisition Price (in ₹)	Consideration	Nature of Transaction	% of Pre- Offer Paid-up Capital	% of Post - Offer Paid-up Capital
December 15, 2001	100	65,400	10	10	Cash	Transfer from Mr. Vilas Kamble	0.00	●
January 25, 2002	1,100	66,500	10	10	Cash	Transfer from Ms. Mangala Kabra	0.01	●
January 25, 2002	1,900	68,400	10	10	Cash	Transfer from Mr. Mukund Kabra	0.01	●
January 25, 2002	3,000	71,400	10	10	Cash	Transfer from Mr. Madhusudan Kabra	0.01	●
May 3, 2002	300	71,700	10	10	Cash	Transfer from Mr. Vimal Sikchi	0.00	●
May 3, 2002	800	72,500	10	10	Cash	Transfer from Mr. Rameshchandra Sikchi	0.00	●
May 24, 2003	15,000*	87,500	10	48	Cash	Transfer from Unit Trust of India (A/c Vecaus - I)	0.07	●
May 24, 2003	150	87,650	10	26	Cash	Transfer from ABL-Employee Stock Option Trust	0.00	●
May 4, 2004	450	88,100	10	25.5	Cash	Transfer from ABL-Employee Stock Option Trust	0.00	●
October 29, 2004	(200)	87,900	10	25	Cash	Transfer to Mr. Abhijeet Rathi	(0.00)	●
May 9, 2005	900	88,800	10	26.17	Cash	Transfer from ABL-Employee Stock Option Trust	0.00	●
May 3, 2006	1,350	90,150	10	26.39	Cash	Transfer from ABL-Employee Stock Option	0.01	●

Date of Allotment/ Transfer and Date when made fully paid-up	No. of Equity Shares Offered/ Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer/ Acquisition Price (in ₹)	Consideration	Nature of Transaction	% of Pre- Offer Paid-up Capital	% of Post - Offer Paid-up Capital
						Trust		
March 15, 2007	150	90,300	10	43	Cash	Transfer from ABL-Employee Stock Option Trust	0.00	●
March 15, 2007	1,050	91,350	10	26.86	Cash	Transfer from ABL-Employee Stock Option Trust	0.01	●
March 15, 2007	91,350	182,700	10	NA	NA	Bonus Offer in the ratio 1:1	0.42	●
August 25, 2008	1,800	184,500	10	17.17	Cash	Transfer from ABL-Employee Stock Option Trust	0.01	●
November 29, 2008	(15,000)	169,500	10	NA	NA	Gift to Mr. Ankit Rathi	(0.07)	●
November 29, 2008	(15,000)	154,500	10	NA	NA	Gift to Mr. Abhijit Rathi	(0.07)	●
April 15, 2009	900	155,400	10	10	Cash	Transfer from ABL-Employee Stock Option Trust	0.00	●
November 30, 2009	1,200	156,600	10	10	Cash	Transfer from ABL-Employee Stock Option Trust	0.01	●
March 18, 2010	156,600	313,200	10	NA	NA	Bonus Offer in the ratio 1:1	0.72	●
February 23, 2013	(30,000)	283,200	10	NA	NA	Gift to Amit Rathi	(0.14)	●
December 22, 2015	20,000	303,200	10	NA	NA	Gift from Ankit Rathi	0.09	●
December 28, 2015	20,000	323,200	10	NA	NA	Gift from Abhijeet Rathi	0.09	●
December 28, 2015	20,000	343,200	10	NA	NA	Gift from Shweta Rathi	0.09	●
Total	343,200						1.58	●

*Shares held jointly with Mrs. Leela K. Rathi

Mrs. Mangala Madhusudan Kabra

Date of Allotment/ Transfer and Date when made fully paid-up	No. of Equity Shares Offered/ Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer / Acquisition Price (in ₹)	Consideration	Nature of Transaction	% of Pre- Offer Paid-up Capital	% of Post - Offer Paid-up Capital
March 31, 1994	5000	5,000	10	10	Cash	Preferential Allotment	0.02	●
March 31, 1994	34,400	39,400	10	10	Cash	Preferential Allotment	0.16	●
December 29, 1994	4,000	43,400	10	10	Cash	Rights Issue	0.02	●
September 16, 1998	800	44,200	10	10	Cash	Transferred from Rajendra Katariya	0.00	●
January 25, 2002	(1100)	43,100	10	10	Cash	Transfer to Mr. Kishor Rathi	(0.01)	●
November 11, 2002	(20,600)	22,500	10	50	Cash	Buy-Back of Equity Shares	(0.09)	●
May 24, 2003	150	22,650	10	26	Cash	Transferred from ABL-Employees Stock Option Trust	0.00	●
May 4, 2004	450	23,100	10	25.50	Cash	Transferred from ABL-Employees Stock Option Trust	0.00	●
May 9, 2005	900	24,000	10	26.17	Cash	Transferred from ABL-Employees Stock Option Trust	0.00	●
December 23, 2005	700	24,700	10	60	Cash	Transferred from Mr. Amrit Patil	0.00	●
May 3, 2006	1,350	26,050	10	26.39	Cash	Transferred from ABL-Employees Stock Option Trust	0.01	●
March 15, 2007	1,050	27,100	10	26.86	Cash	Transferred from ABL-Employees Stock	0.00	●

Date of Allotment/ Transfer and Date when made fully paid-up	No. of Equity Shares Offered/ Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer / Acquisition Price (in ₹)	Consideration	Nature of Transaction	% of Pre- Offer Paid-up Capital	% of Post - Offer Paid-up Capital
						Option Trust		
March 15, 2007	150	27,250	10	43	Cash	Transferred from ABL-Employees Stock Option Trust	0.00	●
March 15, 2007	27,250	54,500	10	Nil	Nil	Bonus issue in the ratio 1:1	0.13	●
August 25, 2008	1,800	56,300	10	17.17	Cash	Transferred from ABL-Employees Stock Option Trust	0.01	●
April 15, 2009	900	57,200	10	21.5	Cash	Transferred from ABL-Employees Stock Option Trust	0.00	●
August 31, 2009	160	57,360	10	50	Cash	Transferred from S.K.Kurade	0.00	●
November 30, 2009	1,200	58,560	10	19	Cash	Transferred from ABL-Employees Stock Option Trust	0.01	●
March 18, 2010	58,560	117,120	10	Nil	Nil	Bonus issue in the ratio 1:1	0.27	●
Total	117,120						0.54	●

Vasant and Prabha Rathi Generation Trust

Date of Allotment/ Transfer and Date when made fully paid-up	No. of Equity Shares Offered/ Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer / Acquisition Price (in ₹)	Consideration	Nature of Transaction	% of Pre- Offer Paid-up Capital	% of Post - Offer Paid-up Capital
October 25, 2013	600,000	600,000	10	Nil	Nil	Gift from Vasant Laxminarayan Rathi	2.76	●

						and Prabha V. Rathi		
October 25, 2013	900,000	1,500,000	10	Nil	Nil	Gift from Prabha V. Rathi and Vasant Laxminarayan Rathi	4.13	[●]
Total	1,500,000						6.89	[●]

Investor Selling Shareholders:

Kotak India Venture Fund I

Date of Allotment/ Transfer and Date when made fully paid-up	No. of Equity Shares Offered/ Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer/ Acquisition Price (in ₹)	Consideration	Nature of Transaction	% of Pre- Offer Paid-up Capital	% of Post - Offer Paid-up Capital
July 30, 2012	679,900	679,900	10	290	Cash	Preferential Allotment	3.12	[●]
Total	679,900						3.12	[●]

Kotak India Venture (Offshore) Fund

Date of Allotment/ Transfer and Date when made fully paid-up	No. of Equity Shares Offered/ Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer/ Acquisition Price (in ₹)	Consideration	Nature of Transaction	% of Pre- Offer Paid-up Capital	% of Post - Offer Paid-up Capital
November 30, 2012	336,600	336,600	10	290	Cash	Preferential Allotment	1.55	[●]
Total	336,600						1.55	[●]

Kotak Employees Investment Trust

Date of Allotment/ Transfer and Date when made fully paid-up	No. of Equity Shares Offered/ Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer/ Acquisition Price (in ₹)	Consideration	Nature of Transaction	% of Pre- Offer Paid-up Capital	% of Post - Offer Paid-up Capital
July 30, 2012	17,900	17,900	10	290	Cash	Preferential Allotment	0.08	[●]
Total	17,900						0.08	[●]

Other Selling Shareholders-II:

Mr. Pradip Bhailal Shah

Date of Allotment/ Transfer and Date when made fully paid-up	Maximum No. of Equity Shares Offered/Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer / Acquisition Price (in ₹)	Consideration	Nature of Transaction	% of Pre-Offer Paid-up Capital	% of Post - Offer Paid-up Capital
March 31, 1994	156,200	156,200	10	10	Cash	Preferential Allotment	0.72	●
December 29, 1994	56,500	212,700	10	50	Cash	Rights Issue	0.26	●
March 15, 2007	212,700	425,400	10	NA	NA	Bonus Issue in the ratio of 1:1	0.98	●
March 18, 2010	425,400	850,800	10	NA	NA	Bonus Issue in the ratio of 1:1	1.95	●
February 28, 2013	(50,000)	800,800	10	NA	NA	Transferred to Mr. Rajendra Bhailal Shah (Gift)	(0.23)	●
March 8, 2013	(50,000)	750,800	10	NA	NA	Transferred to Mrs. Hemlata Bhailal Shah	(0.23)	●
Total	750,800						3.45	●

Mr. Mukund Madhusudan Kabra

Date of Allotment/ Transfer and Date when made fully paid-up	No. of Equity Shares Offered/Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer / Acquisition Price (in ₹)	Consideration	Nature of Transaction	% of Pre-Offer Paid-up Capital	% of Post - Offer Paid-up Capital
March 31, 1994	18,500	18,500	10	10	Cash	Preferential Allotment	0.09	●
December 29, 1994	1,900	20,400	10	10	Cash	Rights Issue	0.01	●
September 16, 1998	2,900	23,300	10	10	Cash	Transfer from Vimal Mundada	0.01	●
November 20, 2001	10,000	33,300	10	10	Cash	Transfer from Chandrakant Rathi Innovations and Projects Private Limited	0.05	●

Date of Allotment/ Transfer and Date when made fully paid-up	No. of Equity Shares Offered/Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer / Acquisition Price (in ₹)	Consideration	Nature of Transaction	% of Pre-Offer Paid-up Capital	% of Post - Offer Paid-up Capital
January 25, 2002	(1,900)	31,400	10	10	Cash	Transfer to Mr. Kishor Laxminarayan Rathi	(0.01)	●
May 24, 2003	500	31,900	10	10	Cash	Transfer from Chandrakala Bhakkad	0.00	●
May 24, 2003	150	32,050	10	26	Cash	Transfer from ABL-Employees Stock Option Trust	0.00	●
February 16, 2004	700	32,750	10	25.71	Cash	Transfer from Anuradha Vijaykant Wankhede	0.00	●
May 4, 2004	450	33,200	10	25.50	Cash	Transfer from ABL-Employees Stock Option Trust	0.00	●
May 9, 2005	900	34,100	10	26.17	Cash	Transfer from ABL-Employees Stock Option Trust	0.00	●
May 3, 2006	1350	35,450	10	26.39	Cash	Transfer from ABL-Employees Stock Option Trust	0.01	●
November 21, 2006	15,000	50,450	10	30	Cash	Transfer from Chandrakant Rathi Innovations and Projects Private Limited	0.07	●
March 15, 2007	25,000	75,450	10	NA	NA	Transfer from Vasant Laxminarayan Rathi (Gift)	0.11	●

Date of Allotment/ Transfer and Date when made fully paid-up	No. of Equity Shares Offered/Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer / Acquisition Price (in ₹)	Consideration	Nature of Transaction	% of Pre-Offer Paid-up Capital	% of Post - Offer Paid-up Capital
March 15, 2007	1,000	76,450	10	43	Cash	Transfer from ABL-Employees Stock Option Trust	0.01	●
March 15, 2007	1,050	77,500	10	26.86	Cash	Transfer from ABL-Employees Stock Option Trust	0.01	●
June 15, 2007	77,500	155,000	10	Nil	Nil	Bonus issue in the ratio 1:1	0.36	●
August 25, 2008	5,200	160,200	10	20	Cash	Transfer from ABL-Employees Stock Option Trust	0.02	●
April 15, 2009	6,000	166,200	10	21.50	Cash	Transfer from ABL-Employees Stock Option Trust	0.28	●
June 11, 2009	3,400	169,600	10	50	Cash	Transfer from Pravin Gaval	0.02	●
August 17, 2009	10,000	179,600	10	Nil	Nil	Transfer from Vasant Laxminarayan Rathi (Gift)	0.05	●
November 30, 2009	8,000	187,600	10	10	19	Transfer from ABL-Employees Stock Option Trust	0.04	●
March 18, 2010	187,600	375,200	10	NA	NA	Bonus issue in the ratio 1:1	0.86	●
October 22, 2012	5,000	380,200	10	NA	NA	Transfer from Vasant Laxminarayan Rathi (Gift)	0.02	●
October 22,	900	381,100	10	NA	NA	Holding on	0.00	●

Date of Allotment/ Transfer and Date when made fully paid-up	No. of Equity Shares Offered/Transferred	Cumulative No. of Equity Shares	Face Value (in ₹)	Offer / Acquisition Price (in ₹)	Consideration	Nature of Transaction	% of Pre-Offer Paid-up Capital	% of Post - Offer Paid-up Capital
2012						behalf of ABL- Employees Stock Option Trust		
Total	381,100						1.75	 ●

5. The Promoter, Promoter Group, Directors of our Company and their relatives have not undertaken any transactions of equity shares of our Company, during a period of six months preceding the date on which the DRHP is filed with SEBI and the date on which this Red Herring Prospectus is filed with RoC except as follows:

Sr. No.	Name of Transferor	No. of Shares	Price per share (in ₹)	Name of transferee	Date of Transaction
1.	Mr.Ankit Rathi	20,000	(Gift)	Mr.Kishor Laxminarayan Rathi	December 22, 2015
2.	Mr.Abhijit Rathi	20,000	(Gift)	Mr.Kishor Laxminarayan Rathi	December 28, 2015
3.	Ms.Sweta Rathi	20,000	(Gift)	Mr.Kishor Laxminarayan Rathi	December 28, 2015
4.	Mr.Piyush Rathi	15,000	750	Chandrakant Rathi Innovations and Projects Private Limited	November 2, 2015
5.	Higuchi Inc.	873,600	259.80	Chandrakant Rathi Innovations and Projects Private Limited	November 23, 2015
6.	Chandrakant Rathi Innovations and Projects Private Limited.	2,18,400	265	Mr.Arvind Varchaswi	December 5, 2015
7.	Mr. Yeddu Sivasrinivas babu	500	100	Ms.Radhika Rathi	January 6, 2016
8.	Mr. Chandra Prakash Das	100	100	Ms.Radhika Rathi	January 6, 2016
9.	Mr. Vinit Sohra	150	100	Ms.Radhika Rathi	January 6, 2016
10.	Mr. Papish Chawda	200	100	Ms.Radhika Rathi	January 6, 2016
11.	Mr. Pramod Kelapure	300	100	Ms.Radhika Rathi	January 6, 2016
12.	Mr. Nipendra Tiwari	150	100	Ms.Radhika Rathi	January 6, 2016
13.	Vijay Rajput & Co.	500	100	Ms.Radhika Rathi	April 15, 2016
14.	C.L.Rathi (HUF)	1,100	12.50	Mr. Piyush Chandrakant Rathi	May 5, 2016
15.	Vasant Rathi	100,000	(Gift)	Ms.Rasika Rathi	May 9, 2016
16.	Vasant Rathi	75,000	(Gift)	Ms.Rachana Rathi	May 9, 2016
17.	Vasant Rathi	75,000	(Gift)	Ms.Reshma Rathi	May 9, 2016
18.	Vasant Rathi	50,000	266.02	Ms.Rasika Rathi	May 9, 2016
19.	Vasant Rathi	250,000	266.02	Ms.Rachana Rathi	May 9, 2016
20.	Vasant Rathi	250,000	266.02	Ms.Reshma Rathi	May 9, 2016
21.	Prabha Rathi	175,000	(Gift)	Ms.Rasika Rathi	May 9, 2016
22.	C.L.Rathi (H.U.F.)	1,100	12.50	Mr. Chandrakant Rathi	May 23, 2016

Sr. No.	Name of Transferor	No. of Shares	Price per share (in ₹)	Name of transferee	Date of Transaction
23.	C.L.Rathi (H.U.F.)	1,100	12.50	Ms. Savita Rathi	May 23, 2016
24.	C.L.Rathi (H.U.F.)	1,100	12.50	Ms. Radhika Rathi	May 23, 2016
25.	Piyush Rathi^	100	10	Piyush Rathi	June 7, 2016
26.	Piyush Rathi^	100	30	Piyush Rathi	June 7, 2016
27.	Shobha Dwarkanath Boob	1,200	10	Gopal Dwarkanath Bub	June 20, 2016
28.	Piyush Rathi^	200	10	Piyush Rathi	June 28, 2016
29.	Shaila Kalantri	1,600	10	Nikhil Jugalkishor Kalantri	July 5, 2016

^ Equity Shares are jointly held with Ms. Divya Rathi

6. Our Company has not issued any Equity Shares in the year preceding the date of this RHP, which may be at a price lower than the Offer price.

7. **The list of shareholders of our Company and the Equity Shares held by them is as follows:**

a) Our top ten shareholders and the number of Equity Shares held by them as of the date of filing this RHP, is as follows:

Sr. No.	Name	No. of Equity Shares	% of Pre-Offer Equity Share capital	% of Post-Offer Equity Share capital
1.	Mr. Vasant Laxminarayan Rathi^	7,480,900^	34.37	[●]
2.	Chandrakant Rathi Innovations and Projects Private Limited	4,295,400	19.73	[●]
3.	Atharva Green Ecotech LLP	2,492,940	11.45	[●]
4.	Vasant and Prabha Rathi Generation Trust	1,500,000	6.89	[●]
5.	Mr. Pradip Bhailal Shah	750,800	3.45	[●]
6.	Kotak India Venture Fund I	679,900	3.12	[●]
7.	Mr. Mukund Madhusudan Kabra*	381,100	1.75	[●]
8.	Mr. Kishor Laxminarayan Rathi	343,200	1.58	[●]
9.	Kotak India Venture (Offshore) Fund	336,600	1.55	[●]
10.	Ms. Rachana Rathi	325,000	1.49	[●]
11.	Ms. Rasika Rathi	325,000	1.49	[●]
12.	Ms. Reshma Rathi	325,000	1.49	[●]
Total		19,235,840	88.38	[●]

^ Equity Shares are jointly held with Mrs. Prabha Rathi

*900 Equity Shares are held on behalf of ABL Employees Stock Option Trust

b) Our top ten shareholders and the number of Equity Shares held by them ten days prior to filing this RHP is as follows:

Sr. No.	Name	No. of Equity Shares	% of Pre-Offer Equity Share capital	% of Post-Offer Equity Share capital
1.	Mr. Vasant Laxminarayan Rathi^	7,480,900^	34.37	[●]
2.	Chandrakant Rathi Innovations and Projects Private Limited	4,295,400	19.73	[●]

3.	Atharva Green Ecotech LLP	2,492,940	11.45	[●]
4.	Vasant and Prabha Rathi Generation Trust	1,500,000	6.89	[●]
5.	Mr. Pradip Bhailal Shah	750,800	3.45	[●]
6.	Kotak India Venture Fund I	679,900	3.12	[●]
7.	Mr. Mukund Madhusudan Kabra*	381,100	1.75	[●]
8.	Mr. Kishor Laxminarayan Rathi	343,200	1.58	[●]
9.	Kotak India Venture (Offshore) Fund	336,600	1.55	[●]
10.	Ms. Rachana Rathi	325,000	1.49	[●]
11.	Ms. Rasika Rathi	325,000	1.49	[●]
12.	Ms. Reshma Rathi	325,000	1.49	[●]
Total		19,235,840	88.38	[●]

^ Equity Shares are jointly held with Mrs. Prabha Rathi

**900 Equity Shares are held on behalf of ABL Employees Stock Option Trust*

- c) Our top ten shareholders and the number of Equity Shares held by them two years prior to date of filing of this RHP is as follows:

Sr. No.	Name	No. of Equity Shares	% of Pre-Offer Equity Share capital	% of Post-Offer Equity Share capital
1.	Mr. Vasant Laxminarayan Rathi^	8,280,900	38.05	[●]
2.	Chandrakant Rathi Innovations and Projects Private Limited	3,625,200	16.66	[●]
3.	Atharva Green Ecotech LLP	2,488,940	11.44	[●]
4.	Vasant and Prabha Rathi Generation Trust	1,500,000	6.89	[●]
5.	Higuchi Inc.	873,600	4.01	[●]
6.	Mr. Pradip Bhailal Shah	750,800	3.45	[●]
7.	Kotak India Venture Fund I	679,900	3.12	[●]
8.	Mrs. Prabha Rathi*	383,600	1.76	[●]
9.	Mr. Mukund Madhusudan Kabra**	381,100	1.75	[●]
10.	Kotak India Venture (Offshore) Fund	336,600	1.55	[●]
Total		19,300,640	88.67	[●]

^ Equity Shares are jointly held with Mrs. Prabha Rathi

**Equity Shares are jointly held with Mr. Vasant Laxminarayan Rathi.*

***900 Equity Shares are held on behalf of ABL Employees Stock Option Trust*

- d) The names of public shareholders holding more than 1% of pre-Offer capital, number of equity shares held and percentage of the total pre and post Offer capital as on the date of filing of this RHP:

Sr. No.	Name	Shares	% of Pre-Offer Equity Share capital	% of Post-Offer Equity Share capital
1.	Mr. Pradip Bhailal Shah	750,800	3.45	[●]
2.	Kotak India Venture Fund I	679,900	3.12	[●]
3.	Mr. Mukund Madhusudan Kabra	381,100*	1.75	[●]
4.	Kotak India Venture (Offshore) Fund	336,600	1.55	[●]
5.	Sri Sri Ravi Shankar Trust	235,400	1.08	[●]
6.	Mr. Arvind Varchaswi	218,400	1.00	[●]
Total		2,602,200	11.96	[●]

**900 Equity Shares are held on behalf of ABL Employees Stock Option Trust*

- e) Details of the shareholding of our Company:

Shareholding Pattern of our Company

The table below presents the shareholding pattern of our Company as on July 8, 2016:

Category	Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrant)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class eg: X	Class eg: y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII)As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	19	17,526,860	-	-	17,526,860	80.53	17,526,860	-	17,526,860	80.53	-	80.53	-	-	-	-	17,495,960
(B)	Public	447	4,238,740	-	-	4,238,740	19.47	4,238,740	-	4,238,740	19.47	-	19.47	-	-	NA	NA	3,251,100
(C)	Non Promoter - Non Public				-		-	-	-	-	-	-	-	-		NA	NA	
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
(C2)	Shares Held By Employee Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
	Total	466	21,765,600	-	-	21,765,600	100.00	21,765,600	-	21,765,600	100.00	-	100.00	-	-	-	-	20,747,060

8. Other than the following, none of our Key Management Personnel hold Equity Shares in our Company as on the date of filing of this RHP: -

Sr. No.	Name of the Key Managerial Personnel	No. of Equity Shares (Face Value of ₹ 10 each)	Percentage of pre-Offer share capital (%)
1.	Mr. Piyush Rathi	24,700	0.11
2.	Mr. Beni Prasad Rauka	48,000	0.22
3.	Mr. Dipak Roda	26,400	0.12
4.	Dr. Anil Kumar Gupta	49,000	0.23
5.	Mr. Pradeep Bhosale	12,800	0.06
6.	Mr. Satish Pagar	11,700	0.05
7.	Mr. Bhaskar Manolkar	10,500	0.05
8.	Mr. Rajendra Newase	9,400	0.04
9.	Mr. Animesh Bagchi	1,500	0.01
	Total	194,000	0.89

9. Our Company, Directors and BRLMs have not entered into any buy-back or standby/safety net arrangements for the purchase of the Equity Shares of our Company from any person.
10. There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of the Draft Red Herring Prospectus.
11. No shares of our Company have been pledged by the Promoter or the Promoter Group.
12. Our Company has not issued any bonus shares out of revaluation of reserves.
13. As on the date of this RHP, the BRLMs do not hold any Equity Shares in our Company.
14. Our Promoters (other than Mr. Vasant Laxminarayan Rathi who is a Promoter Group Selling Shareholder) and members of the Promoter Group (other than Chandrakant Rathi Innovations and Projects Private Limited, Vasant and Prabha Rathi Generation Trust, Mr. Kishor Laxminarayan Rathi and Mrs. Mangala Madhusudan Kabra who are Promoter Group Selling Shareholders) and the BRLMs will not participate in this Offer.
15. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the immediate relatives of the Promoters between the date of filing this RHP with the Registrar of Companies and the Bid/Offer Closing Date are reported to the Stock Exchanges within 24 hours of such transaction.
16. Our Company has not made any public issue since its incorporation.
17. We do not have any intention or proposal to alter our capital structure for a period starting 6 months from the date of opening of the Offer by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further Public issue or Qualified Institutions Placement or otherwise, except for Equity Shares arising out of the ESOS 2015, if any.
18. Our Company has not raised any bridge loan against the proceeds of the Offer.
19. The Offer is being made through the Book Building Process wherein 50% of the Net Offer shall be available for allocation to QIBs on a proportionate basis. Provided that our Company, in consultation with the Selling Shareholders and the BRLMs, may allocate upto 60% of the QIB Portion, to Anchor Investors, on a discretionary basis (“**Anchor Investor Portion**”). For details, see chapter titled “Offer Procedure” beginning on page 384. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. Further, not less than 15%

of the Net Offer will be available for allocation on a proportionate basis to Non- Institutional Bidders and not less than 35% of the Net Offer will be available for allocation to Retail Individual Bidders, subject to valid Bids being received from them at or above the Offer Price.

20. [●] Equity Shares have been reserved for allocation to Eligible Employees, subject to valid Bids being received at or above the Offer Price and subject to the maximum Bid Amount by each Eligible Employee not exceeding ₹ 2,00,000. An Employee Discount of ₹ [●] to the Offer Price may be offered to Eligible Employees bidding in the Employee Reservation Portion. Only Eligible Employees are eligible to apply in this Offer under the Employee Reservation Portion. Bids by Eligible Employees bidding under the Employee Reservation Portion may also be made in the Net Offer and such Bids will not be treated as multiple Bids. For details regarding Allotment to Eligible Employees please see section titled “Offer Procedure – Allotment Procedure and Basis of Allotment” on page 424.
21. Under subscription, if any, in any category except for QIB category, shall be allowed to be met with spillover from the other categories or combination of categories by our Company and the BRLMs in consultation with the Designated Stock Exchange and in accordance with applicable laws, rules, regulations and guidelines, subject to valid bids being received at or above the Offer Price.
22. An over-subscription to the extent of 10% of the offer to the public can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment being equal to [●] Equity Shares, which is the minimum bid lot in this Offer.
23. The Equity Shares are fully paid up and there are no partly paid up Equity Shares as on date. Further, since the entire money in respect of the Offer is being called on application, all the successful applicants will be issued fully paid-up shares.
24. There would be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of the DRHP with SEBI until the Equity Shares issued through the Prospectus are listed or application moneys refunded on account of failure of Offer.
25. As per the extant policy, OCBs are not permitted to participate in the Offer.
26. There are no outstanding warrants, options or right to convert debentures, loans or other financial instruments into our Equity Shares as on the date of this RHP.
27. There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be prescribed by SEBI from time to time.
28. No payment, direct or indirect, in the nature of discount, allowance, commission or otherwise, shall be made either by us or our Promoters to the persons who receive Allotments, if any, in this Offer other than to the Eligible Employees who shall be eligible for Employee Discount.

OBJECTS OF THE OFFER

The Offer consists of a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders.

Offer for Sale

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

The Fresh Issue

The details of the proceeds of the Fresh Issue are summarized in the table below:

Sr. No.	Particulars	Amount (₹ in million)
1.	Gross Proceeds of the Fresh Issue	500.00
2.	Less: Offer related expenses in relation to the Fresh Issue*	[●]
3.	Net Proceeds	[●]

* To be finalised upon determination of the Offer Price.

After deducting the Offer related expenses in relation to the Fresh Issue, our Company proposes to utilise the funds which are being raised through the Fresh Issue estimated to be approximately ₹ [●] million (“**Net Proceeds**”), towards the following objects (collectively, referred to herein as the “**Objects**”):

1. Investment in Advanced Enzymes USA, our wholly owned subsidiary for repayment / pre-payment of certain loans availed by Advanced Enzymes USA; and
2. General Corporate Purposes.

In addition to the aforementioned Objects, our Company expects to receive the benefits of listing of its Equity Shares on the Stock Exchanges, including among other things, enhancing the visibility of our Company and brand.

The main objects clause of our Memorandum of Association and objects incidental or ancillary to the main objects, enable our Company to undertake our existing activities and the activities for which funds are being raised by our Company in the Fresh Issue.

Our Company has received consents from its lenders i.e. Citibank N.A., DBS Bank Limited, HDFC Bank Limited and Kotak Mahindra Bank Limited to undertake the Offer vide their letters dated December 22, 2015, December 17, 2015, November 16, 2015 and December 23, 2015, respectively. The lenders of the Company i.e. Citibank N.A., DBS Bank Limited, HDFC Bank Limited and Kotak Mahindra Bank Limited have inter-alia provided their consent for utilisation of the Net Proceeds towards prepayment or repayment of loans and/or any financial assistance or debt availed of by the Company and/or its subsidiaries and investment (by way of equity or debt) in the subsidiaries of the Company.

Requirement of funds and Utilisation of Net Proceeds

We intend to utilize the Net Proceeds as set forth in the table below:

(in ₹ million)		
Sr. No.	Particulars	Amount
1.	Investment in Advanced Enzymes USA, our wholly owned subsidiary for repayment / pre-payment of certain loans availed by Advanced Enzymes USA.	400.00
2.	General corporate purposes*	[●]
Net Proceeds		[●]

* To be finalised upon determination of the Offer Price.

Schedule of implementation and deployment, detailed utilization of Net Proceeds, requirement of funds and means of finance

We intend to utilise the Net Proceeds as set forth below:

(In ₹ million)

Sr. No.	Expenditure Items	Amount to be deployed from Net Proceeds	Estimated schedule of deployment of Net Proceeds in Fiscal 2017
1.	Investment in Advanced Enzymes USA, our wholly owned subsidiary for repayment / pre-payment of certain loans availed by Advanced Enzymes USA	400.00	400.00
2.	General Corporate Purposes [#]	[●]	[●]
Total		[●]	[●]

[#]To be finalised upon determination of Offer Price.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan and management estimates, and have not been appraised by any bank, financial institution or any other external agency. Our Company operates in a competitive and dynamic environment. In view of the same, our Company may have to revise our business plan from time to time and the expenditure, fund requirements and deployment schedule may also change as a result of variations in cost estimates on account of a variety of factors such as changes in the business environment and interest/ exchange rate fluctuations, which may not be within the control of the management and may entail rescheduling and / or revising the planned expenditure and funding requirements and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management. For associated risks see section titled “Risk Factors” beginning on page 19 of this RHP.

In case of any increase in the actual utilisation of funds earmarked for the Objects, such additional funds for a particular activity will be met by our Company through various means, including short term /long term financial arrangements or internal accruals. In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not completely met, the same shall be utilised in the next fiscal year. If the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used for future growth opportunities including towards general corporate purposes, subject to compliance with applicable laws.

Details of Objects of the Offer

1. Investment in Advanced Enzymes USA, our wholly owned subsidiary for repayment / pre-payment of certain loans availed by Advanced Enzymes USA from one of our Promoters and Group Companies

Our Company proposes to utilize ₹ 400.00 million out of the Net Proceeds for investment in Advanced Enzymes USA, our wholly owned subsidiary for repayment / pre-payment of certain loans availed by Advanced Enzymes USA. This investment in Advanced Enzymes USA is proposed to be in the form of a debt / instrument to be issued by Advanced Enzymes USA to our Company.

The particulars of the same are as follows:

Type of Instrument	Purpose	Amount proposed to be advanced	Rate of Interest	Nature of Security	Repayment Terms	Subordination
Debt Instrument	Repayment/Pre-payment of existing promissory notes	₹ 400.00 million	10.5% p.a.	Unsecured	5 (five) equal quarterly instalments commencing from September 2016	Nil

By a Stock Purchase Agreement dated April 4, 2011, Advanced Enzymes USA, a wholly-owned subsidiary of the Company, had acquired all the outstanding stock of Cal-India Foods International from Mr. Vasant Laxminarayan Rathi,

and certain members of the promoter group, namely Ms. Rachana Rathi, Ms. Rasika Rathi and Ms. Reshma Rathi for a consideration of USD 31.98 million, out of which USD 3 million was payable in cash and balance USD 28.98 million was payable by way of Purchaser Notes dated April 4, 2011.

The valuation opinion (“**Valuation Opinion**”) for Cal-India was provided by an independent third party US-based valuation advisory firm, which prepared an analysis of the fair market value of the common stock of Cal-India, on a 100 percent controlling interest basis, as on December 7, 2010. It may be noted that the fair market value was calculated as the price at which the common stock of Cal-India, would change hands between a willing buyer and a willing seller, and neither being under any compulsion to buy or sell, and both having reasonable knowledge of all relevant facts, in accordance with IRS Revenue Ruling 59 - 60. For preparing the Valuation Opinion, the firm performed the customary due diligence exercise, and made such reviews, analysis and enquiries, as deemed necessary and appropriate, including but not limited to review of financial statements of Cal-India and senior management discussions.

These purchaser notes were repaid by Advanced Enzymes USA by borrowing USD 3 million from one of the Group Companies of the Company, Rathi Property LLC and USD 17 million from one of the Promoters of the Company, Mr. Vasant Laxminarayan Rathi (“**Lenders**”), aggregating to USD 20 million, for which it issued promissory notes dated December 13, 2012 to the Lenders, carrying an interest rate of 3.5% per annum. Further, Advanced Enzymes USA has also pledged its shares in Cal-India and AST Enzymes with the Lenders as security for repayment of the aforesaid loans under the said promissory notes and the Addendum executed in March 2014, respectively.

The details of the acquisition of Cal-India are disclosed under the chapter titled “History and Certain Corporate Matters” at page 190 of this RHP.

As on March 31, 2016, the amount outstanding against these secured borrowings availed from Rathi Property LLC and Mr. Vasant Laxminarayan Rathi amounts to ₹ 78.77 million and ₹ 440.49 million respectively, aggregating to ₹ 519.26 million. Further details of these borrowings are as follows:

Sr. no.	Lender, nature of facility and details of documentation	Purpose	Amount Borrowed (USD)	Rate of interest and Pre-payment Penalty	Repayment schedule	No. of installments outstanding as at March, 31 2016	Security provided	Amount outstanding as at March 31, 2016 (USD)	Amount outstanding as at March 31, 2016 (₹ in million)
1	Rathi Property LLC Promissory Note dated December 13, 2012	Repayment of promissory notes which were issued as a part of consideration for purchase of shares of Cal-India	3,000,000	3.50 % per annum; No Pre-payment penalty	Payable in 19 equal quarterly installments of USD 172,071	7	Pledge of 2,000 equity shares of Cal-India and 1,000 equity shares of AST Enzymes	1,187,566	78.77
2	Mr. Vasant Rathi Promissory Note dated December 13, 2012	Repayment of promissory notes which were issued as a part of consideration for purchase of shares of Cal-India	17,000,000	3.50 % per annum; No Pre-payment penalty	Payable in 19 equal quarterly installments of USD 975,072	7	Pledge of 2,000 equity shares of Cal-India and 1,000 equity shares of AST Enzymes	6,640,532	440.49

As certified by KNAV P.A., certified public accountants, (Firm Registration Number: ACF005290) vide its certificate dated June 27,

2016. Further, KNAV P.A., certified public accountants, have confirmed that these borrowings have been utilized by Advanced Enzymes USA, Inc., for the purposes for which they were availed.

We believe that the repayment / pre-payment of these promissory notes, will help reduce our outstanding indebtedness and debt servicing costs and enable utilization of our accruals for further investment in our business growth and expansion. In addition, we believe that this would improve our ability to raise further resources in the future to fund potential business development opportunities. It may also be noted that Advanced Enzymes USA has pledged its entire investment in Cal-India and AST Enzymes, with Rathi Property LLC and Mr. Vasant Laxminarayan Rathi, as security for repayment of the promissory notes, which shall be released upon repayment.

2. General Corporate Purposes

The Net Proceeds will be first utilised towards the aforesaid object and the balance is proposed to be utilised for general corporate purposes, including but not restricted to brand building and marketing expenses, research and development expenses, strategic initiatives, partnerships, alliances, tie-ups, joint ventures and acquisitions, meeting expenses incurred in the ordinary course of business including salaries and wages, rent, administration expenses, insurance related expenses, repairs and maintenance, and the payment of taxes and duties, meeting exigencies, other than those mentioned above, which our Company may face in the ordinary course of business, or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions and subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI Regulations.

Our Company, in accordance with the policies of our Board, will have flexibility in utilising the Net Proceeds for general corporate purposes. The quantum of utilization of funds towards each of the above purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

Means of Finance

The entire requirement of funds towards the objects of the Fresh Issue, will be substantially met out of the Net Proceeds. The balance requirement of funds, if any, for the purpose of financing this Object shall be met through internal accruals. Accordingly, we confirm that we are in compliance with the SEBI Regulations for firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the Net Proceeds. In case of a shortfall in the Net Proceeds, our Company may explore a range of options including utilizing our internal accruals and/or seeking additional debt from existing and/or other lenders.

Project Appraisal

None of the Objects of the Offer has been appraised by any bank, financial institution or other external agency.

Bridge Financing

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

Estimated Offer related expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million, and shall include the expenses set out in the table below.

The Offer related expenses include, among others, BRLMs' fees, underwriting fees, selling commissions/ brokerage, SCSBs' commissions/fees, printing and distribution expenses, legal counsel fees, statutory advertisement expenses, marketing and roadshow expenses, registrar and depository fees, Auditors' fees, filing fees, fees for usage of book building facility and listing fees.

The Offer expenses will be shared between our Company and each Selling Shareholder on a pro-rata basis in proportion of the Equity Shares contributed by each of them in the Offer, provided that the listing fees and expenses relating to the legal

counsel of the Company and that of the BRLMs will be borne solely by the Company and expenses relating to the legal counsel to the Selling Shareholders will be borne solely by the Selling Shareholders

Activity	Estimated expenses* (in ₹ million)	Percentage of the total of the Offer Expenses*	Percentage of the Offer size*
BRLMs' fees, Registrar's fees, Underwriting commissions, brokerages and selling commissions	[●]	[●]	[●]
Commission and processing fee for SCSBs [#]	[●]	[●]	[●]
Brokerage and selling commission for Registered Brokers, RTAs and DPs ^{##}	[●]	[●]	[●]
Advertising and marketing expenses, printing, stationery and distribution expenses	[●]	[●]	[●]
SEBI processing fees, listing fees and other costs associated with listing including processing fees of Stock Exchanges, bidding software expenses, depository charges, STT etc.	[●]	[●]	[●]
Others (Auditors' fees, legal fees etc.)	[●]	[●]	[●]
Total estimated Offer expenses*	[●]	[●]	[●]

*To be incorporated after finalization of the Offer Price.

[#]The SCSBs would be entitled to a processing fees of ₹ 10/- (plus applicable taxes) per Bid cum Application Form, for processing the Bid cum Application Forms procured by the members of the Syndicate, Brokers, Sub-Syndicate/ Agents, or the Registered Brokers and submitted to the SCSBs. ^{##}Registered Brokers, the RTAs and the DPs will be entitled to a commission of ₹ 10/- (plus applicable taxes) per every valid Bid cum Application Form submitted to them and uploaded on the electronic bidding system of the Stock Exchanges.

Monitoring of utilization of funds

As the size of the Fresh Issue does not exceed ₹ 5,000 million, as per the SEBI Regulations, there is no requirement for appointment of a monitoring agency for the purposes of the Fresh Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

Pursuant to Regulation 18(3) of the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Net Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Red Herring Prospectus and place it before the Audit Committee. Such disclosure shall be made only till such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditors of our Company. Furthermore, in accordance with Regulation 32 of SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement including material deviations, if any, in the utilization of the Net Proceeds of the Offer from the objects of the Offer as stated above. The information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee. We will disclose the utilization of the Net Proceeds under a separate head along with details in our balance sheet(s) until such time as the Net Proceeds remain unutilized clearly specifying the purpose for which such Net Proceeds have been utilized.

Interim use of Net Proceeds

The Company, in accordance with the policies formulated by its Board from time to time, will have flexibility in deploying the Net Proceeds. Pending utilization of the Net Proceeds for the Objects of the Offer described above, we undertake to temporarily deposit the funds from the Net Proceeds only in the scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, which shall be approved by our management from time to time.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, it shall not use the Net Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

Other Confirmations

There are no existing or anticipated transactions in relation to the utilization of Net Proceeds with any of our Promoters,

Directors, Key Managerial Personnel or Group Companies and no part of the Net Proceeds is intended to be paid by our Company as consideration to any of our Promoters, Directors, Key Managerial Personnel or Group Companies, except as disclosed in the Object of “Investment in Advanced Enzymes USA, our wholly owned subsidiary for repayment / pre-payment of certain loans availed by Advanced Enzymes USA”, on account of which our Company will invest funds in Advanced Enzymes USA, which will be used by Advanced Enzymes USA for repayment of / pre-payment of loans availed by it from our Group Company, Rath Property LLC and our Promoter, Mr. Vasant Laxminarayan Rath.

Variation in Objects

In accordance with Section 13 (8) and Section 27 of the Companies Act, 2013 and the rules framed there under, our Company shall not vary the objects of the Offer, unless authorised by our Shareholders by way of a special resolution through a postal ballot. Additionally, the notice in respect of such resolution issued to the Shareholders shall contain details as prescribed under the Companies Act, 2013 and such details of the notice, clearly indicating the justification for such variation, shall also simultaneously be published in the newspapers, one in English and one in Marathi, the vernacular language newspaper of the jurisdiction where the registered office of our Company is situated. Our Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

BASIS FOR OFFER PRICE

The Offer Price will be decided by our Company in consultation with the Selling Shareholders and the BRLMs on the basis of an assessment of market demand for the Equity Shares through the Book Building Process and on the basis qualitative and quantitative factors described below. The face value of the Equity Shares of our Company is ₹ 10 per share and the Offer Price is [●] times of the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Investors should also refer to the sections “Risk Factors” and “Financial Information” and chapter titled “Our Business”, beginning on pages 19, 230 and 152, respectively, of this RHP, to get a more informed view before making the investment decision.

QUALITATIVE FACTORS

The key competitive strengths of the Company include the following:

- Integrated player with presence across the enzyme value chain;
- Strong R&D, enzyme development and manufacturing capabilities;
- Specialized Business Model with high entry barriers;
- Diversified Product Portfolio and Wide Customer Base, served by a Strong Sales, Marketing and Distribution network;
- Experienced promoters and strong management team;
- Financial stability and stable cash flows

For a detailed discussion of the above factors, see the chapter titled “Our Business” and section titled “Risk Factors” beginning on pages 152 and 19, respectively, of this RHP.

QUANTITATIVE FACTORS

Some of the information presented in this section relating to our Company is derived from our Company’s Unconsolidated Financial Information, as restated, and Consolidated Financial Information, as restated prepared in accordance with the Indian GAAP and the Companies Act and the SEBI Regulations and restated in accordance with and the SEBI Regulations. For more details on the financial information, see the section titled “Financial Information” beginning on page 230.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

1. Basic & Diluted Earnings Per Share (EPS)

Sr.No.	Period	Restated Consolidated Basic & Diluted Earnings Per Share (₹)	Restated Unconsolidated Basic & Diluted Earnings Per Share (₹)	Weights
1.	Fiscal 2016	36.03	9.76	3
2.	Fiscal 2015	23.01	9.03	2
3.	Fiscal 2014	9.23	4.55	1
	Weighted Average	27.22	8.65	

Note:

1. Earnings per share calculations are in accordance with Accounting Standard 20 “Earnings per Share” issued by the Institute of Chartered Accountants of India.

2. Basic & Diluted Earnings Per Share (₹) = Profit after tax, as restated attributable to equity shareholders/ Weighted average number of equity shares outstanding during the year.
3. The figures disclosed above are based on the Unconsolidated and Consolidated Financial Information as restated, of our Company.
4. The face value of each Equity Share is ₹ 10.
5. The above statement should be read with “Financial Statements- Annexure IV- Statement of Notes to the Consolidated Financial Information, as restated-Significant accounting policies” and “Financial Statements- Annexure IV- Statement of Notes to the Unconsolidated Financial Information, as restated-Significant accounting policies” on page 238 and page 276, respectively.

2. Price Earning Ratio (P/E) in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share

P/E based on Basic and Diluted EPS for the year ended March 31, 2016:

Particulars	P/E (Consolidated)		P/E (Unconsolidated)	
	P/E at the Floor Price	P/E at the Cap Price	P/E at the Floor Price	P/E at the Cap Price
P/E based on Basic & Diluted EPS for the year ended March 31, 2016	[●]	[●]	[●]	[●]
P/E based on Weighted Average Basic & Diluted EPS	[●]	[●]	[●]	[●]

3. Industry P/E ratio

Not Applicable - There are no listed entities similar to our line of business and comparable to our scale of operations.

4. Return on Net Worth as per our Unconsolidated Financial Information, as restated, and Consolidated Financial Information, as restated:

Sr. No.	Period	Consolidated (%)	Unconsolidated (%)	Weight
1.	Fiscal 2016	28.14%	12.15%	3
2.	Fiscal 2015	23.85%	12.59%	2
3.	Fiscal 2014	12.07%	7.19%	1
	Weighted Average	24.03%	11.47%	

Return on net worth (%) = Profit after tax, as restated /Net worth, as restated as at year end.

5. Minimum Return on Increased Net Worth required to maintain Pre-Offer Basic and Diluted EPS.

The minimum return on increased net worth required to maintain Consolidated pre-Offer Basic and Diluted EPS for the year ended March 31, 2016 is [●] at the Floor Price is [●] and at the Cap Price [●].

The minimum return on increased net worth required to maintain unconsolidated pre-Offer Basic and Diluted EPS for the year ended March 31, 2016 is [●] at the Floor Price and [●] at the Cap Price.

6. Net Asset Value per Equity Share

Sr.No.	Period	NAV Consolidated (₹)	NAV Unconsolidated (in ₹)
1.	Fiscal 2016	128.03	80.31
2.	Fiscal 2015	96.48	71.74
3.	Fiscal 2014	76.42	63.35
	NAV After Offer	[•]	[•]
	Offer Price *	[•]	[•]

**The Offer Price per Equity Share will be determined on conclusion of the book building process.*

Net Asset Value per Equity Share (₹) = Net worth, as restated as at year end / Total number of equity shares as at year end.

There are no listed entities in India which are similar to our line of business and comparable to our scale of operations. The Offer Price of [•] per Equity Share has been determined by the Company, in consultation with the Selling Shareholders and the BRLMs, on the basis of an assessment of market demand for the Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative Investors should also refer to the sections “Risk Factors” and “Financial Information” and chapter titled “Our Business”, beginning on pages 19, 230 and 152 of this RHP, respectively, to get a more informed view before making the investment decision. The trading price of the Equity Shares could decline due to the factors mentioned in the section “Risk Factors” beginning on page 19 of this RHP or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS EQUITY SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

To,
The Board of Directors,
Advanced Enzyme Technologies Limited,
Sun-Magnetica, 5th Floor,
LIC Service Road,
Louiswadi, Thane (W) - 400604.

Dear Sirs,

Sub: Statement of possible special tax benefits (the “Statement”) available to Advanced Enzyme Technologies Limited and its equity shareholders prepared in accordance with the requirement in Schedule VIII – Clause (VII)(L) of Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulation, 2009 as amended (the “Regulation”).

We hereby certify that the enclosed Annexure states the possible special tax benefits available to **Advanced Enzyme Technologies Limited** (the “Company”) and to the Equity Shareholders of the Company under the provisions of the Income-tax Act, 1961, presently in force in India. Several of these benefits are dependent on the Company or its Equity Shareholders fulfilling the conditions prescribed under the relevant tax laws.

The benefits discussed in the enclosed Annexure covers only special tax benefits available to the Company and its equity shareholders for financial year 2015-16 onwards and do not cover general tax benefits available to the Company and its equity shareholders. Further, the preparation of the Statement and its contents is the responsibility of the Company’s Management. This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each shareholder is advised to consult his/ her/ their own tax consultant with respect to the special tax implications arising out of their participation in the proposed issue.

We do not express any opinion or provide any assurance as to whether:

- a) The Company or its equity shareholders will continue to obtain these benefits in future; or
- b) The conditions prescribed for availing the benefits have been / would be met.

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company as well as the provisions of the Income-tax Act, 1961 as of date.

This Statement is intended solely for your information and for the inclusion in the Red Herring Prospectus (the “Offer Document”) in connection with the proposed issue by the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **Walker Chandiok & Co LLP**
(Formerly known as Walker, Chandiok & Co)
Chartered Accountants
Firm Registration No: 001076N/N500013

Sudhir N. Pillai

Partner

Membership No. 105782

Place: Mumbai

Date: June 29, 2016

ANNEXURE TO STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS EQUITY SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares, under the current tax laws presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

You should consult your own tax advisors concerning the Indian tax implications and consequences of purchasing, owning and disposing of equity shares in your particular situation.

As per the taxation laws in force, the possible special tax benefits / consequences, as applicable, to the Company and its Equity Shareholders investing in the Equity Shares are summarized below:

1 SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY - UNDER THE INCOME-TAX ACT, 1961 (the “Act”)

1.1 Income from Special Economic Zone exempt under Section 10AA of the Act

As per the provisions of Section 10AA of the Act and subject to conditions prescribed there under, deduction to the extent of 100% of profits derived from export of manufactured articles or things or services is available for a period of consecutive five Assessment Year’s (“AY”) beginning with the AY in which the unit in a Special Economic Zone (“SEZ”) begins to manufacture or produce such article, things or provide services and 50% of such profits and gains for subsequent five AYs. Further, for next five consecutive AYs, deduction is available to the extent of 50% of the profits debited to the Profit & Loss Account and credited to Special Economic Zone Re-investment Reserve Account to be created and utilized in specified manner.

The Company has set up a unit in Pithampur SEZ which, as informed to us, is eligible for deduction under Section 10AA of the Act and has already utilized tax benefits for seven AYs till AY 2015-16 [relevant to the financial year (“FY”) 2014-15].

However, as per Section 115JB of the Act, the Company is required to pay Minimum Alternate Tax (“MAT”) at the rate of 18.5% (plus applicable surcharge, education cess and secondary & higher education cess) on book profit as computed under the said Section, irrespective of the tax benefits available under Section 10AA of the Act.

1.2 Deduction for in-house scientific research expenditure under Section 35(2AB) of the Act

In accordance with and subject to the conditions specified under Section 35(2AB) of the Act, a company engaged in the business of bio-technology or in any business of manufacture or production of any article or thing (not specified in the Eleventh Schedule of the act) is entitled to deduction of any expenditure on scientific research (including capital expenditure other than expenditure in the nature of cost of any land or building) on in-house research and development facility as approved by Department of Scientific & Industrial Research, Government of India (“DSIR”) at percentage prescribed under the said Section. The deduction is available subject to fulfillment of conditions prescribed under the said Section of the Act.

Percentage of deduction available under section 35(2AB) of the Act is summarized in the below table:

Assessment Year (“AY”)	Financial Year (“FY”)	Percentage of deduction
Upto AY 2017-18	Upto FY 2016-17	200 % of eligible expenditure
From AY 2018-19 till AY 2020-2021	From FY 2017-18 till FY 2019-20	150 % of eligible expenditure

AY 2021-22 onwards	FY 2020-21 onwards	100 % of eligible expenditure
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Expenditure claimed as deductible under section 35(2AB) of the Act would not be allowed as deduction under any other provisions of the Act.

The Company has three laboratories in India conducting in-house research. All three laboratories have received recognition from DSIR till 31 March 2016. Accordingly, these laboratories are eligible for deduction under Section 35(2AB) of the Act up to FY 2015-16.

The Company has made an application to DSIR for renewal of recognition for all three laboratories. The Company would be eligible to continue to claim deduction under Section 35(2AB) of the Act, only on receipt of such approval, from and for such further period as specified by DSIR.

1.3 **Foreign dividend taxable under Section 115BBD of the Act**

As per Section 115BBD of the Act, dividend received from a foreign company in which equity shareholding is 26% or more shall be taxed at the rate of 15% (plus applicable surcharge, education cess and secondary & higher education cess).

However, while computing income, any expenditure incurred for earning such dividend shall not be allowed as deduction from such dividend.

2 **SPECIAL TAX BENEFITS AVAILABLE TO SHAREHOLDERS UNDER THE ACT**

There are no special tax benefits available to the shareholders with regards to the investment made in the shares of the Company.

Notes:

- *The above Annexure to Statement of Possible Special Tax Benefits ("Annexure") sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares;*
- *The above Annexure sets out the possible special tax benefits available to the Company and its equity shareholders under the current tax laws (i.e. Act as amended by the Finance Act 2016) presently in force in India. Several of these benefits are dependent on the Company or its equity shareholders fulfilling the conditions prescribed under the relevant tax laws;*
- *This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her/ its own tax consultant with respect to the specific tax implications arising out of their participation in the issue;*
- *The stated benefits will be available only to the sole/first named holder in case the shares are held by joint shareholders; and*
- *Legislation, its judicial interpretations and the policies of the regulatory authorities are subject to change from time to time, and these may have a bearing on the above. Accordingly, any change or amendment in the law or relevant regulations would necessitate a review of the above. Unless specifically requested, we have no responsibility to carry out any review of our comments for changes in laws or regulations occurring after the date of issue of this annexure*

SECTION V - ABOUT US

INDUSTRY OVERVIEW

Neither we nor any other person connected with the Offer have independently verified the information contained in this section. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Further, industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

*In particular, we have relied on a report by The Freedonia Group, Inc. called “Industry Study #3104 World Enzymes January 2014” (“**Freedonia Report**”). Neither we nor any other person connected with the Offer has verified the information sourced from this Freedonia Report. Prospective investors are advised not to unduly rely on the information sourced from this report when making their investment decisions. Our Company, Directors, Promoters and Promoter Group of the Company are not related to The Freedonia Group, Inc, in any way.*

Introduction to Enzymes

Enzymes are natural protein molecules produced by all living organisms, functioning as highly specialized catalysts for accelerating the pace of chemical reactions, that is, they help a chemical reaction take place quickly and efficiently, without undergoing change themselves. Enzymes are responsible for many essential biochemical reactions and metabolic processes in microorganisms, plants, animals, and human beings, but are not alive. Enzymes are highly efficient in increasing the reaction rate of biochemical processes that otherwise proceed very slowly, or in some cases, not at all, and are also biodegradable. Moreover, with the positive environmental profile offered by enzymes, there exist opportunities in the form of substituting non-renewable chemicals with the intent of reducing energy consumption or decreasing the production of harmful wastes.

Enzymes are produced and harvested from living organisms such as plants, animals, bacteria and fungi. Enzymes are presently employed in a diverse array of applications that range from the manipulation of DNA in biotechnology research, to improving the softness of fabrics in the textile industry. Enzymes are used in a diverse range of applications, and therefore global demand for enzymes is influenced by a number of macroeconomic factors including the likes of GDP growth, manufacturing output, and per capita incomes. Based on the usage of the enzymes, the global enzyme market can be broadly classified into two segments, namely Industrial and Specialty. The Industrial enzymes are used in high volume and low value-added applications, whereas Specialty enzymes are used in low volume and high value-added applications. The Industrial enzyme markets include food and beverages, cleaning products (detergents), biofuel production, animal feed, textiles, leather, pulp and paper, starch processing, etc. The Specialty enzyme markets include pharmaceutical, research and biotechnology, diagnostics and biocatalysts.

Segment-wise distribution of the Global Enzyme Market

The global enzyme market stood at \$5.1 billion in 2012 of which industrial enzymes constituted ~\$3.6 billion, or ~71% of world demand, with the rest ~29% being contributed by specialty enzymes.

Going forward, the global enzyme demand is expected to experience broad-based growth led by strong demand across all enzyme types, with market growing by 6.3% every year to \$7.0 billion in 2017 from \$5.1 billion in 2012. The market is further expected to grow at a 5-year CAGR of 6.5% after 2017, reaching a size of \$9.5 billion by 2022. Through this period, the growth in the global enzyme demand is expected to be led by specialty enzymes, including diagnostic and research and biotechnology enzymes, as well as biocatalysts and increasing penetration of enzymes into their potential applications in developing countries. Moreover, falling costs of DNA manipulation and sequencing, will act as a demand driver allowing for rising use of enzymes in research and biotechnology and diagnostic applications. On the other hand, the industrial enzyme market will see modest growth as high growth in animal feed, food and beverage and cleaning products market will be partially offset by levelling off of grain-based biofuel production and challenging environment for various technical applications such as starch processing, textile and leather production. The animal feed and food & beverage enzymes will experience above-average growth in demand benefitting from the expansion of the middle class population in

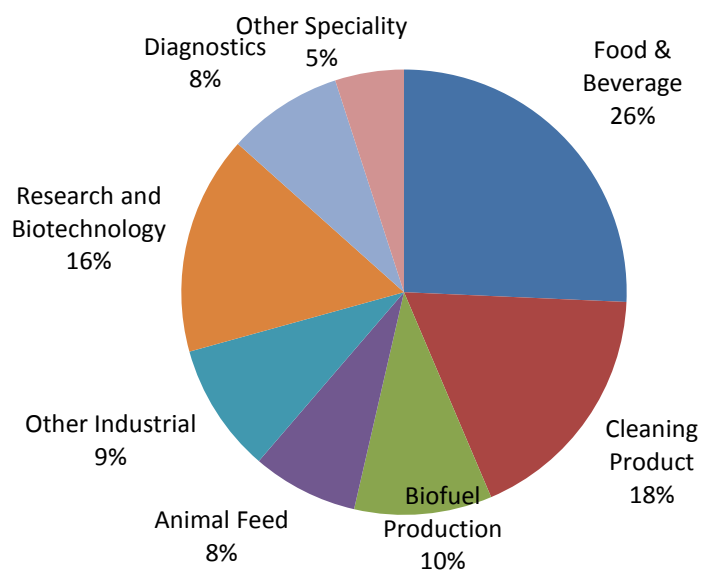
rapidly developing economies, which will fuel increased meat consumption and adoption of more western-style diets. Further, the environmental benefits of enzyme use, such as reduced wastewater production and energy use, provides room to further boost the industrial enzyme market.

The following table represents the key segments across Industrial and Specialty Enzymes, and the expected enzyme demand over the next few years.

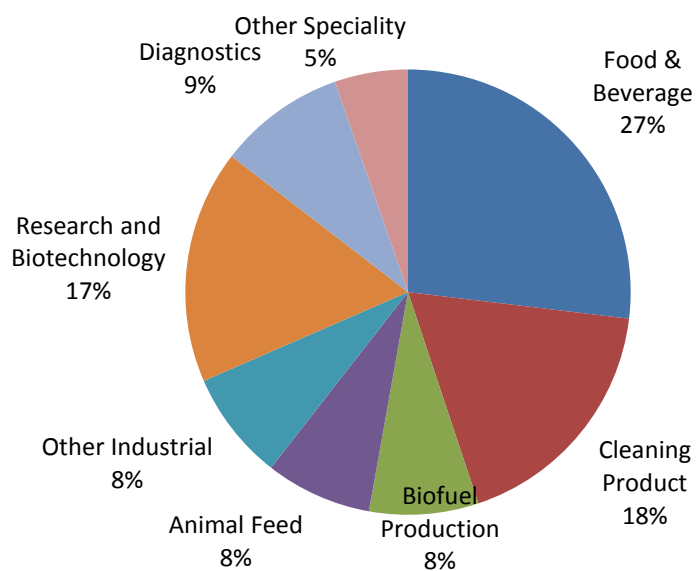
WORLD ENZYME DEMAND BY MARKET (in USD Million)					
Market / Year	2002	2007	2012	2017	2022
Industrial Enzymes:					
Food & Beverage	570	940	1,320	1,865	2,555
Cleaning Product	530	740	920	1,245	1,690
Biofuel Production	90	290	515	555	640
Animal Feed	168	310	395	540	745
Other Industrial	362	420	480	555	670
Total Industrial Enzymes	1,720	2,700	3,630	4,760	6,300
Specialty Enzymes:					
Research & Biotechnology	380	543	815	1,180	1,720
Diagnostic	203	282	430	640	950
Other Specialty	97	175	255	370	530
Total Specialty Enzymes	680	1,000	1,500	2,190	3,200
World Enzyme Demand (Industrial and Specialty)	2,400	3,700	5,130	6,950	9,500

As can be seen from the above table, the share of Industrial Enzymes is expected to gradually reduce from ~70.8% in 2012 to 68.5% in 2017 to 66.3% in 2022, while the share of Specialty Enzymes is expected to gradually increase from ~29.2% in 2012 to ~31.5% in 2017 to ~33.7% in 2022, on account of the relatively stronger potential growth of Specialty Enzymes over the next few years.

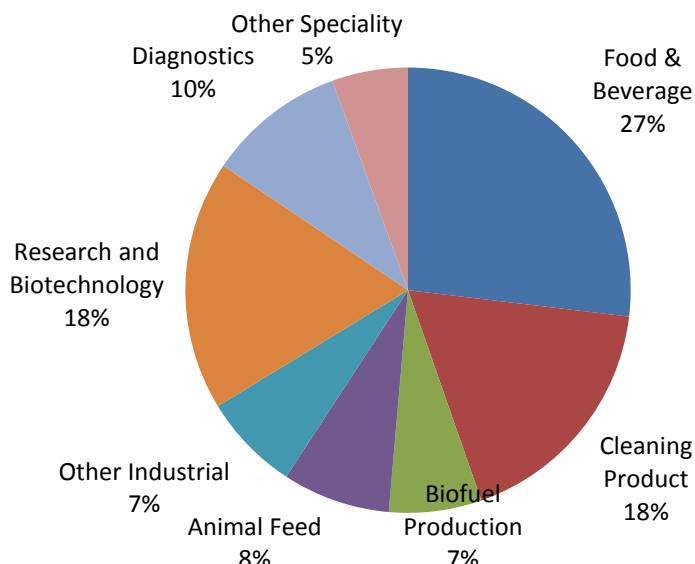
WORLD ENZYME DEMAND BY MARKET (2012): \$5.1 billion



WORLD ENZYME DEMAND BY MARKET (2017): \$7.0 billion



WORLD ENZYME DEMAND BY MARKET (2022): \$9.5 billion

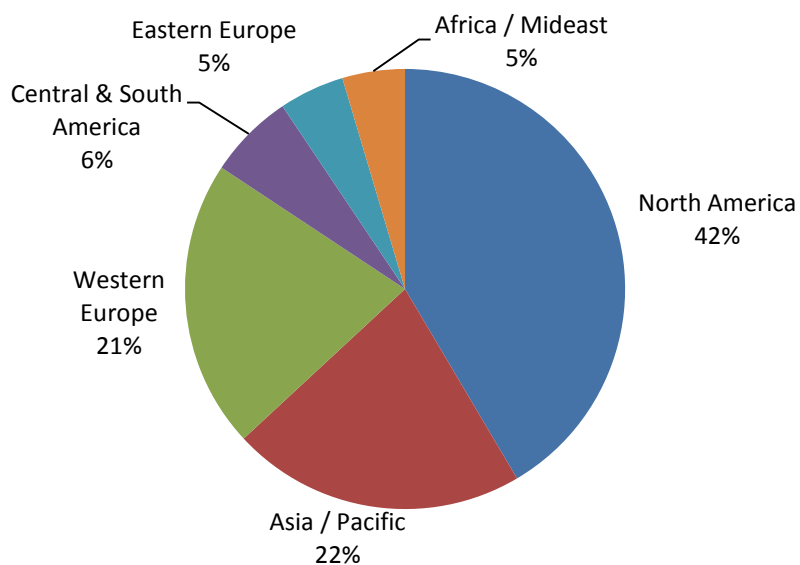


Geographical distribution of the Global Enzyme Market

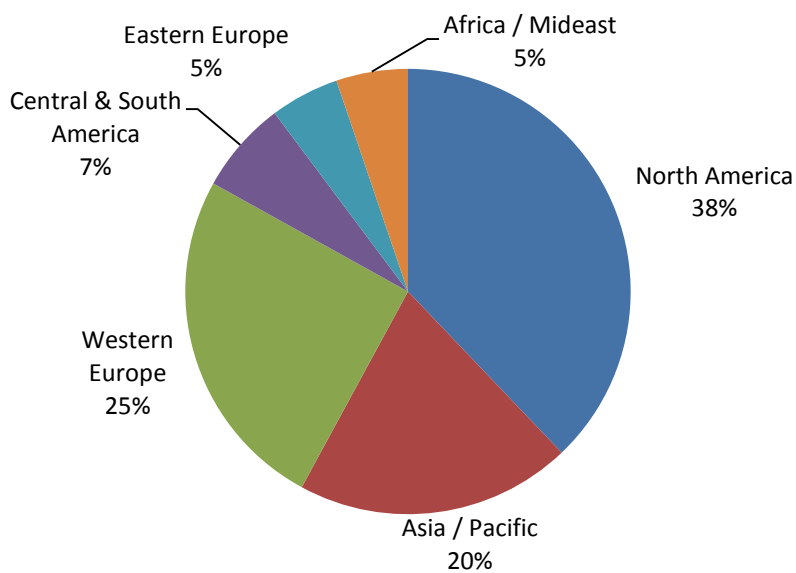
North America dominates the Global Enzyme market accounting for ~41.5% of the global enzyme demand in 2012, implying a market size of \$2.1 billion. Western Europe, Asia Pacific and other regional markets (which include Central & South America, Eastern Europe and Africa / Mideast) accounted for 21.2%, 21.6% and 15.7% of the Global Enzyme market in 2012. Between 2002 and 2012, the share of North America and Western Europe in the Global enzyme market has been gradually declining, while that of Asia Pacific and other regional markets including Central & South America, Eastern Europe and Africa / Mideast has been on an upswing. The fastest growth in industrial enzyme demand will occur in the world's developing countries, such as those of the Asia/Pacific region and Central and South America as these areas have not yet adopted the same level of technological development or enzyme use as have countries in North America and Western Europe, and consequently there remains a greater opportunity for market penetration to increase. This trend is expected to continue going forward, with Asia Pacific becoming the second largest enzyme market by 2017, and further outpacing Western Europe by 2022. However, even by 2022, North America shall continue to be the largest regional market, accounting for ~34.8% of the global enzyme demand, with the Asia Pacific region, Western Europe and other regional markets accounting for ~18.1%, ~29.2% and ~18.0% of the market size respectively. Demand for enzymes in the Eastern Europe is also expected to be above average.

WORLD ENZYME DEMAND BY REGION (in USD Million)					
Region / Year	2002	2007	2012	2017	2022
North America	1,065	1,576	2,130	2,630	3,310
Western Europe	645	910	1,090	1,390	1,715
Asia/Pacific	395	683	1,110	1,745	2,770
Other Regions:	295	531	800	1,185	1,705
- Central & South America	112	203	321	470	665
- Eastern Europe	105	175	245	350	490
- Africa/Mideast	78	153	234	365	550
World Enzyme Demand	2,400	3,700	5,130	6,950	9,500

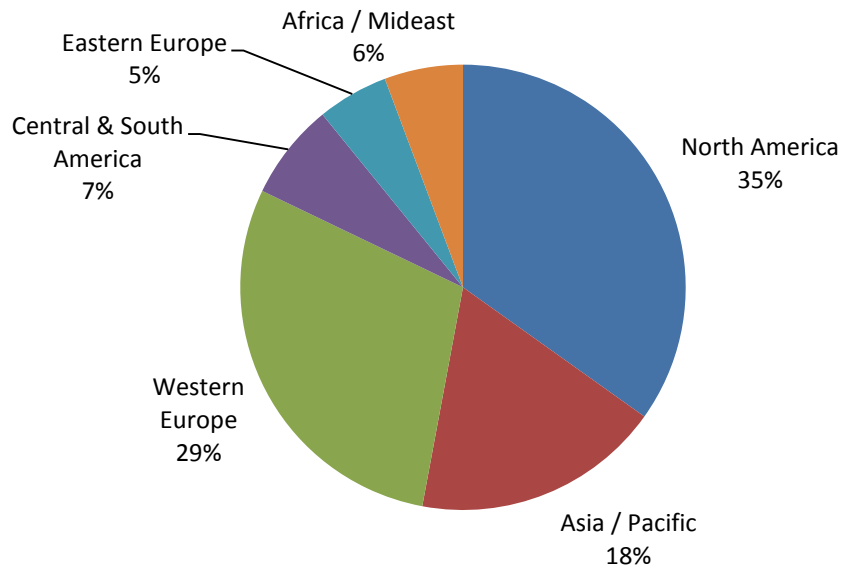
WORLD ENZYME DEMAND BY REGION (2012): \$5.1 billion



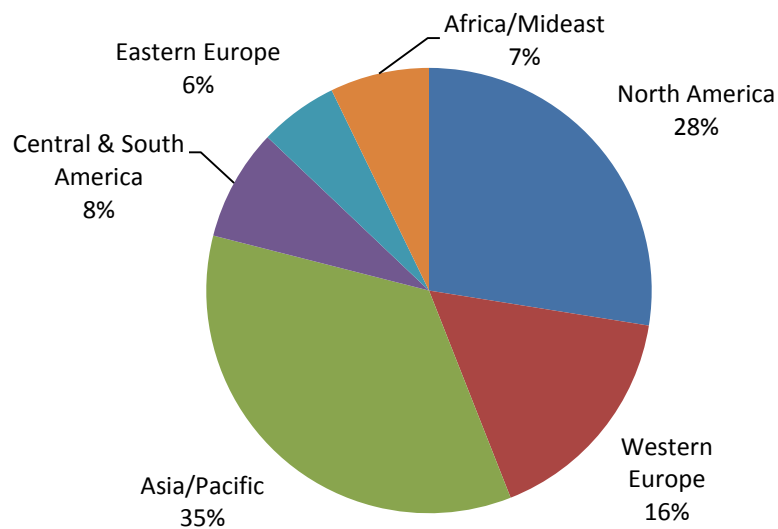
WORLD ENZYME DEMAND BY REGION (2017): \$7.0 billion



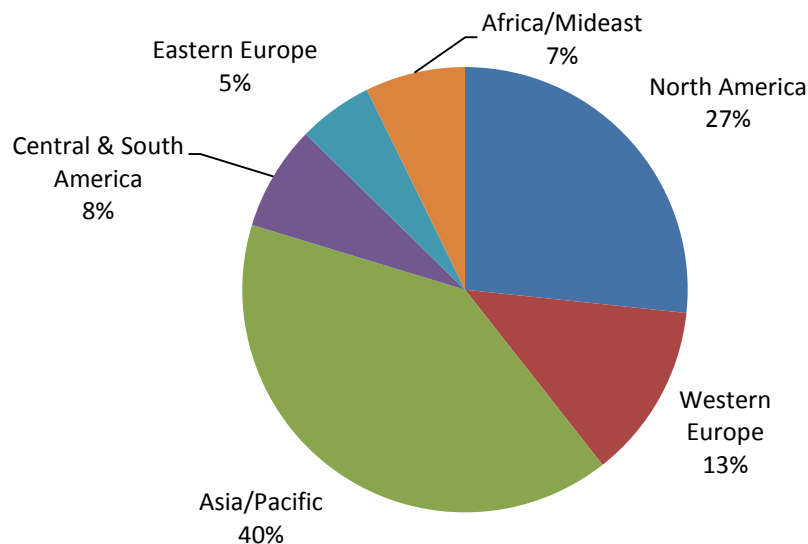
WORLD ENZYME DEMAND BY REGION (2022): \$9.5 billion



SHARE OF THE INCREMENTAL ENZYME DEMAND BY REGION BETWEEN 2012 AND 2017: \$1.8 billion



SHARE OF THE INCREMENTAL ENZYME DEMAND BY REGION BETWEEN 2017 AND 2022:
\$2.5 billion



Global Industrial Enzymes market

Industrial enzymes constitute the larger portion of the world enzyme demand accounting for ~\$3.6 billion, or ~70.8% in 2012. The global demand for industrial enzymes is expected to grow at a 5-year CAGR of 5.6% to reach ~\$4.8 billion in 2017 and 10-year CAGR of 5.7%, to reach a size of \$6.3 billion by 2022. The strongest demand for industrial enzymes shall be experienced in the sub-segments of food and beverages and animal feed.

On a regional basis, Asia Pacific and Central & South America will achieve the fastest growth for Industrial enzymes, going forward till 2022. These areas have generally not experienced the same degree of enzyme technology penetration as is found in North America and Europe, and consequently will realize stronger growth as continued industrialization and rising per capita incomes favour greater enzyme consumption.

The following table represents the key sub-segments across Industrial Enzymes and their expected growth rates across various geographies over the next few years.

WORLD INDUSTRIAL ENZYME DEMAND BY MARKET & REGION (in USD Million)					
Item / Year	2002	2007	2012	2017	2022
By Market:					
I) Food & Beverage	570	940	1,320	1,865	2,555
II) Cleaning Product	530	740	920	1,245	1,690
III) Biofuel Production	90	290	515	555	640
IV) Animal Feed	168	310	395	540	745
V) Other Markets	362	420	480	555	670
By Region:					
North America	720	1,095	1,440	1,670	1,955
Western Europe	473	655	725	875	1,010
Asia / Pacific	291	520	840	1,320	2,100

Other Regions:	236	430	625	895	1,235
- Central & South America	92	172	267	385	540
- Eastern Europe	85	143	193	270	360
- Africa/Mideast	59	115	165	240	335
World Industrial Enzyme Demand	1,720	2,700	3,630	4,760	6,300
World Enzyme Demand	2,400	3,700	5,130	6,950	9,500
Industrial Enzymes %	71.7%	73.0%	70.8%	68.5%	66.3%

The market dynamics and the expected growth potential of each of these sub-segments of Industrial Enzymes are explained in greater detail herein below.

I) Foods & Beverages

Enzymes provide a natural way for food and beverage processors to improve production efficiency, as well as food quality and consistency. The global demand for enzymes used in Foods & Beverages is expected to expand 7.2% y-o-y to \$1.9 billion in 2017 from \$1.3 billion in 2012. The market is further expected to grow at a 5-year CAGR of 6.5% after 2017, reaching a size of \$2.6 billion by 2022. Growth will be strong, slightly exceeding the pace between 2007 and 2012 as economic recovery continues in developed regions and per capita incomes continue to rise rapidly in emerging economies.

Baking enzymes will continue to post above-average advances, along with other smaller applications such as fat and oil processing, helping offset more moderate gains in dairy enzymes. Growth will thus come mostly from expanding markets and applications, such as when manufacturers seek more effective ingredients for specific applications.

Within the food and beverage processing industry, enzymes function in several different capacities. Enzymes are principally used as processing aids for transforming raw ingredients into a consumable state. As processing aids, enzymes may be directly involved in food transformation as with the use of chymosin for cheese production, or indirectly involved as with the use of pectinase for fruit juice clarification. Enzymes may also be added to processed foods to enhance certain characteristics or to act as flavor modifiers. By turning to enzymes, food and beverage processors avoid using traditional chemical additives viewed as “artificial” by consumers.

The largest application for enzymes in food and beverages is in baked goods, where enzymes have several applications including anti-staling/shelf-life extension, volume expansion and dough strengthening, among others. The second largest market is dairy products, in which enzymes are used for the production of cheese and removal of lactose. In beverages, enzymes see application in beer, distilled spirits, fruit juice and wine. Other food applications include confectionery manufacturing, cocoa, coffee and egg processing, fruit and vegetable processing, and meat tenderizing. More recently, enzymes have also found an important role in fat and oil production and processing, and in preventing the formation of acrylamide in the baking and frying of starch-containing foods.

WORLD FOOD & BEVERAGE ENZYME DEMAND BY MARKET & REGION (in USD Million)					
Item / Year	2002	2007	2012	2017	2022
World Food & Beverage MVA (2011 USD billion)	1,309	1,626	1,850	2,255	2,730
\$ enzymes / 000\$ food & beverage	0.44	0.58	0.71	0.83	0.94
World Food & Beverage Enzyme Demand	570	940	1,320	1,865	2,555
By Market:					
1) Baked Goods	150	250	410	650	950
2) Dairy	200	300	405	530	650
3) Other Food & Beverage	220	390	505	685	955
By Region:					
North America	197	276	355	445	545

Western Europe	141	215	280	350	405
Asia / Pacific	111	218	360	595	940
Other Regions:	121	231	325	475	665
- Central & South America	48	92	130	190	275
- Eastern Europe	40	78	105	150	200
- Africa/Mideast	33	61	90	135	190
World Food & Beverage Enzyme Demand	570	940	1,320	1,865	2,555
World Industrial Enzyme Demand	1,720	2,700	3,630	4,760	6,300
Food & Beverage Enzyme as a % of Industrial Enzymes	33.1%	34.8%	36.4%	39.2%	40.6%

1. Baked Goods:

Bakery enzymes are expected to be one of the fastest growing components of food and beverage enzymes growing at a 5-year CAGR of 9.7% to reach \$650 million by 2017. Gains will derive mainly from increasing penetration of enzyme use in baking applications in the Asia/Pacific region, as well as Eastern Europe and Central and South America. New product introductions will also continue to support growth in the more mature markets of North America and Western Europe. More specifically, the marketing of value-added preparations which contain a variety of enzymes designed to improve the quality of baked goods will help improve margins and support demand gains. The best opportunities in baking enzymes will be in products that can significantly lower costs by further extending shelf-life, replacing expensive additives such as emulsifiers or enabling the use of lower-cost components, and improving baking efficiency. Additionally, the continued adoption of asparaginase enzymes as a means of limiting the formation of the possible carcinogen acrylamide in baked goods exposed to high temperatures will also support growth.

Most enzymes used in the baking industry go into supplementing flour for bread production. Amylases help maximize dough fermentation, ensuring even crumb structure and improving loaf volume. Another significant class of baking enzymes is xylanases, which break down the non-starch polysaccharides in wheat flour, improving dough machinability, crumb structure and loaf volume. Other baking enzymes include lipases for improving dough strength and replacing emulsifiers, proteases to act as dough relaxers in high-gluten doughs, oxidases for bleaching and replacing artificial chemical additives such as bromates and transglutaminases, which also improve dough strength and help replace bromates. Moreover, enzymes are also less expensive and more predictable in terms of price volatility as these do not rely on price volatile inputs. Established companies continue to introduce new enzymes, formulations and blends of enzymes to offer improved baked good quality which has the impact of improving the perception of freshness in the minds of the consumers.

2. Dairy:

Enzymes have a variety of applications in the dairy industry, including the coagulation of milk, ripening of cheese, enhancement of piquant flavor in Italian and specialty cheeses, modification of milk fat and processing of whey protein for breakfast cereals. Enhanced digestibility of dairy products, especially for those consumers suffering from lactose intolerance, is accomplished with the addition of lactase to ice cream and other dairy items. Additionally, enzymes may also be used as preservatives in cheese to control the growth of harmful bacteria, or bacteria that impart undesirable properties to the cheese. With the use of microbial chymosin for cheese coagulation having become a standard practice in the dairy industry, new applications and niche markets will continue to be of high importance to enzyme manufacturers.

Demand for dairy enzymes is projected to advance 5.5 percent per year to \$530 Million in 2017, helped by rebounding economies in North America and Western Europe, as well as the increased adoption of Western diets in many developing countries. The continued introduction of new products that offer new flavor profiles, speed ripening times and allow for texture modification will further support growth. Above-average growth is also expected for enzymes that aid in dairy digestion as lactose-reduced products continue to gain in popularity.

3. Other Foods & Beverages:

While a significant portion of enzyme demand in food processing arises from dairy and bakery applications, enzymes also play an important or growing role in beverages as well as a variety of other, smaller volume markets. In beverages,

enzymes see applications in beer, distilled spirits, dairy products, fruit juice and wine. Other food applications include confectionery manufacturing, cocoa, coffee, egg and tea processing, fruit and vegetable processing, and meat tenderizing. More recently, enzymes have also found an important role in fat and oil production and processing, and in limiting the formation of acrylamide in starch-containing foods such as French fries and potato chips. Additionally, recent research has shown that they may be effective at removing the allergens associated with peanuts. Apart from the above, enzymes find use in food processing in the areas of lipid modification, fruit and vegetable preservation, and natural palmitic acid synthesis

Demand for enzymes used in other food and beverage applications is expected to reach \$685 Million in 2017, reflecting average annual gains of 6.3 percent. Growth will be supported by strong gains in brewing enzymes, as well as the expanded use of enzymes in fat and oil processing.

II) Cleaning Products

Demand for enzymes used in detergents and other cleaning products are forecast to increase 6.2 percent per annum to \$1.2 billion in 2017. Growth will be restrained by the maturity of the laundry detergent market, which accounts for the bulk of detergent shipments. Nevertheless, advances will be supported by the introduction of new and improved enzyme products for specialized cleaning applications and continued strong growth of the automatic dishwashing detergent market in developed countries, as well as further market penetration in developing regions.

Enzymes have become an important component of modern cleaning products as companies have sought to achieve improved cleaning performance with more environmentally friendly components. This is reflected by the sheer size of the cleaning product enzyme market, which accounted for 25 percent of industrial enzyme demand in 2012. The primary application of enzymes in cleaning products is in detergents, particularly laundry detergents, though other applications have been growing rapidly.

WORLD CLEANING PRODUCT ENZYME DEMAND BY APPLICATION & REGION (in USD Million)					
Item / Year	2002	2007	2012	2017	2022
World Soap & Detergent Shipments (bil \$)	79	129	153	203	270
\$ enzymes/000\$ detergent	6.7	5.7	6.0	6.1	6.3
World Cleaning Product Enzyme Demand					
By Application:					
1) Laundry Detergent	480	655	800	1,075	1,450
2) Automatic Dishwashing Detergent	30	50	70	100	150
3) Other Cleaning Products	20	35	50	70	90
By Region:					
North America	177	264	280	350	440
Western Europe	206	240	240	277	315
Asia / Pacific	83	122	217	360	575
Other Regions:	64	114	183	258	360
- Central & South America	22	42	80	115	160
- Eastern Europe	30	36	51	68	95
- Africa/Mideast	12	36	52	75	105
World Cleaning Product Enzyme Demand	530	740	920	1,245	1,690
World Industrial Enzyme Demand	1,720	2,700	3,630	4,760	6,300
Cleaning Product Enzyme as a % of Industrial Enzymes	30.8%	27.4%	25.3%	26.2%	26.8%

III) Biofuel Production

Demand for enzymes used in biofuel production will rise 1.5 percent per year to \$555 Million in 2017. Growth will moderate from the rapid gains of the 2002-2012 period as the dominant North American market continues to mature and ethanol producers increasingly look to non-enzyme-based ethanol production technologies for future capacity expansion.

The moderate growth in North America will be offset by faster gains in other regions, albeit from much smaller bases, as countries around the world seek to either establish domestic biofuel industries or further expand existing ones, in an effort to reduce their dependence on imported oil products and reduce their emission of global warming greenhouse gases.

WORLD BIOFUEL PRODUCTION ENZYME DEMAND BY REGION (in USD Million)					
Item / Year	2002	2007	2012	2017	2022
World Gross Domestic Product (bil 2009\$)	58,060	72,950	83,320	100,700	122,300
\$ enzymes/mil \$ GDP	1.6	4.0	6.2	5.5	5.2
World Biofuel Production Enzyme Demand					
By Region:					
North America	84	261	465	485	539
Western Europe	2	16	28	38	47
Asia/Pacific	3	10	15	20	33
Other Regions	1	3	7	12	21
World Biofuel Production Enzyme Demand	90	290	515	555	640
World Industrial Enzyme Demand	1,720	2,700	3,630	4,760	6,300
Biofuel Production Enzyme as a % of Industrial Enzymes	5.2%	10.7%	14.2%	11.7%	10.2%

IV) Animal Feed

Global demand for animal feed enzymes will rise 6.5 percent per year to \$540 Million in 2017, led by strong gains in phytase for poultry and swine feed. Non-starch polysaccharide (NSP) and other feed enzyme sales will also be solid, though still behind the faster gains in phytase enzymes. Advances in the relatively mature North American and West European markets will improve after retreating significantly during the global recession in 2009, with growth in North America outpacing gains in Western Europe. The fastest growth will be in the Africa/Mideast region and Central and South America where market penetration rates are still lower and farmers have significant amounts of available land to boost meat production, which will be needed to meet increasing global meat demand, particularly as rising per capita incomes in developing countries allow more and more people to afford meat in their diets. Above-average growth will also occur in the Asia/Pacific region and Eastern Europe as meat production grows and enzyme usage in animal feed further penetrates the market.

The world market for enzymes in animal feed developed rapidly in recent decades as the positive benefits of enzymes became more and more apparent. However, growth slowed considerably from 2005 to 2010 as the markets in developed countries matured, and a rapid jump in feed costs initially led many farmers to forgo enzymes as a feed additive. Animal feed is a major cost in the production of food of animal origin; therefore, in markets where feed enzyme use remains low, it is expected that the ability of enzyme feed additives to lower costs by upgrading economical feed mixes and reducing the need for inorganic supplements in animal diets will be a driving factor in the demand for animal feed enzymes. In addition to improving animal nutrition via the breakdown of NSPs in diets rich in wheat and barley, enzymes are also helpful in lowering phosphorus intake and excretion, promoting faster growth, and reducing feed costs. Going forward, growth will be promoted by an expanding range of animal feed enzymes, increased marketing activity and positive environmental effects due to lower phosphorus excretions.

Enzyme feed additives act as biocatalysts to assist in the digestion and utilization of nutrients, thereby allowing feed compounders to develop products with unconventional and less expensive formulations. When low cost or nutritionally inferior raw materials such as cereals, beans or seeds are processed enzymatically, they can be used as substitutes for higher quality feed rations without sacrificing animal productivity. In addition, enzymes allow greater utilization of the grains themselves without the use of additives, such as phosphates, which helps to decrease the amount of waste nutrients. Enzymes can also act as milk replacers in feed formulations, allowing early weaning of farm animals, which is important to animal breeders. In addition, enzyme treatments provide the following benefits: increased final animal weight, better feed utilization, healthier digestive systems, more homogenous production, lower death rate, improved eggshell quality and waste products that are easier to handle.

As developing countries gather momentum in their adoption of feed enzymes, acceleration in demand is expected. This is because animal feed remains a major cost in the production of meat, the ability of enzymes to reduce both actual costs and

cost volatility in the production of feed is expected to drive increased adoption, especially in the Asia/Pacific region and other developing economies. New product introduction will continue to be an important factor in the market, as newer and more customized enzyme products are developed which have been optimized for particular animals, feed types, and other conditions.

WORLD ANIMAL FEED ENZYME DEMAND BY TYPE & REGION (in USD Million)					
Item / Year	2002	2007	2012	2017	2022
World Animal Feed Shipments (bil \$)	115	207	278	345	420
\$ enzymes/000\$ feed	1.5	1.5	1.4	1.6	1.8
World Animal Feed Enzyme Demand					
By Type:					
1) Phytase	75	170	200	280	375
2) Other Enzymes	93	140	195	260	370
By Region:					
North America	43	71	92	123	148
Western Europe	69	125	130	159	185
Asia / Pacific	34	68	103	160	285
Other Regions:	22	46	70	98	127
World Animal Feed Enzyme Demand	168	310	395	540	745
World Industrial Enzyme Demand	1,720	2,700	3,630	4,760	6,300
Animal Feed Enzyme as a % of Industrial Enzymes	9.8%	11.5%	10.9%	11.3%	11.8%

1. Phytase:

Phytase enzymes work by breaking down naturally occurring phytate in animal feeds into a form that is bio-available to the animal. This then means that less inorganic phosphate supplement is needed in the feed, and lower levels of phosphate are excreted in the animal waste. Fed primarily to pigs and poultry, Phytase is expected to experience the strongest growth through 2017, expanding at a 5-year CAGR of 7.0 percent to reach \$280 Million in 2017. The rapid maturation of the North American and West European markets has significantly reduced growth opportunities in those areas. Additionally, growing competition and the introduction of feeds that already contain the phytase enzyme will constrain prices, further restraining demand gains going forward. Higher levels of growth will occur in the Asia/Pacific and other regions as a result of rising per capita meat consumption that will boost feed demand and expand the addressable market.

2. NSP & Other Feed Enzymes:

Non-starch polysaccharide enzymes include cellulases, hemicellulases, glucanases and xylanases. These enzymes target the non-digestible fiber components of various animal feeds, including arabinoxylans, celluloses and beta-glucans, which often tie up other valuable nutrients and lead to increased viscosity of food in animals' digestive tracts. NSP enzymes were first widely adopted in Europe where they found their greatest use in wheat and rye-based animal diets due to the higher presence of glucans and xylans in these grains. However, usage rates in other parts of the world have risen in recent years due to better marketing and increased word of mouth, which have helped improve product awareness.

Demand for non-starch polysaccharide and other animal feed enzymes will grow at a 5-year CAGR of 5.9%, reaching \$260 Million in 2017. Gains will accrue from greater market penetration in developing regions, as well as the expanded use of different enzymes for alternative feeds as the traditional feed cereals experience heightened demand from the alternative biofuels sector.

V) Other Industrial Markets

There are a number of other industrial enzyme markets in addition to food and beverages, cleaning products, biofuel production and animal feed. Two of these additional markets namely textile & leather, and starch processing are rather sizable and make up the majority of demand in the other markets section. (Starch processing here includes the production of sweeteners and syrups.)

Aside from these two, other markets include cosmetics and toiletries, biohazard and chemical decontamination, oilfield chemicals, pulp and paper, and waste and water treatment. Additionally, over the long term biochemicals are expected to provide a significant growth opportunity as the technology for converting cellulosic biomass to fermentable sugars is applied to the production of green specialty chemicals.

World demand for enzymes in other industrial markets will grow 2.9 percent per annum to \$555 Million in 2017. Growth will be led by healthy gains in smaller markets such as cosmetics and toiletries and waste and water treatment, which will offset weakness in the larger starch processing and textile and leather markets, both of which will face intense pricing pressures and slow volume gains. On a regional basis, the fastest growth will occur in the Asia/Pacific region, which will benefit from a global shift in textile and leather production, as well as expanded demand for starch-based sweeteners. Growth in the other developing regions will also be strong as markets expand from small bases, while advances in North America and Western Europe will be limited due to the maturity of the starch and textile and leather production industries in these markets.

WORLD OTHER INDUSTRIAL MARKET ENZYME DEMAND BY MARKET & REGION (in USD Million)					
Item / Year	2002	2007	2012	2017	2022
World Gross Domestic Product (bil 2011\$)	58,060	72,950	83,320	100,700	122,300
\$ enzymes/mil \$ GDP	6.2	5.8	5.8	5.5	5.5
World Other Industrial Enzyme Demand					
By Market:					
1) Starch Processing	210	185	215	240	265
2) Textile & Leather	100	120	115	125	140
3) All Other Industrial Markets	52	115	150	190	265
By Region:					
North America	219	223	248	267	283
Western Europe	55	59	47	51	58
Asia / Pacific	60	102	145	185	267
Other Regions:	28	36	40	52	62
World Other Industrial Enzyme Demand	362	420	480	555	670
World Industrial Enzyme Demand	1,720	2,700	3,630	4,760	6,300
Other Industrial Enzyme as a % of Industrial Enzymes	21.0%	15.6%	13.2%	11.7%	10.6%

1. Starch Processing:

The primary application of starch processing enzymes is the production of sugar, syrups and sweeteners from corn, wheat and other grains. As starch within these grains is the primary raw material for sugar production, the same enzymes that are used for ethanol production are used in starch processing. Additional enzymes such as glucose isomerase and invertase are also required, however, to obtain the right types of final sugars.

Demand for starch processing enzymes will expand 2.2 percent per year to \$240 Million in 2017. A globally mature market will limit gains in sweetener demand, though pockets of growth are expected in countries such as China, which have more limited sugar production capabilities and growing demand for more western style diets. The slow growth in global sweetener demand will in turn limit increases in starch processing enzyme demand, particularly as ongoing enzyme price competition acts as a restraint on the market. Healthy growth is expected in the Asia/Pacific region, mostly due to increased sweetener production and consumption in China.

2. Textile & Leather:

Enzymes are used in several applications in the textile industry, including desizing, scouring, stonewashing (fashion washing), cellulose removal and degumming of silk. Desizing will remain the leading application by far, particularly given the perennial popularity of denim in world markets and the continued use of starch sizing materials due to their low cost. A

similar impact has been felt in leather processing where soaking, liming, bating, degreasing and area expansion processes all use enzymes. New opportunities are always being explored and include the treatment of wastewater to lower chemical and biological oxygen demand.

Textile and leather is the second largest of the other industrial enzyme markets, amounting to \$115 Million in 2012. Both the world textile and leather industries were long dominated by production in North America and Western Europe; however, following the expiration of the world textile quota system at the beginning of 2005, many companies shifted production to countries with lower wage costs, particularly China and India. While this trend is expected to continue in the coming years, the pace of change will slow and the impact on average enzyme costs will diminish, allowing overall demand for textile and leather enzymes to rebound through 2017. Despite the negative impact of intense competition on prices, modernization of the textile and leather industries in developing countries such as India will create new opportunities, and new, more effective products will help established companies maintain market share.

3. All Other Industrial Markets:

Demand in the smaller industrial enzyme markets will advance quickly, averaging 4.8 percent annually to \$190 Million in 2017. Included here are the personal care (cosmetic and toiletry), oilfield chemical, pulp and paper, and waste and water treatment markets. Most of these markets should experience healthy to strong growth as new applications particularly aimed at addressing environmental concerns are developed. One particularly bright spot over the long term is expected to be biochemicals produced from biomass. The technology used to produce fuel ethanol from grains and biomass may be adapted to produce green biochemicals. Moreover, as these chemicals can command higher prices than fuel ethanol, they can be produced competitively without requiring government support and with relatively higher enzyme costs.

Global Specialty Enzymes market

World demand for Specialty enzymes will grow a strong 7.9% per annum to \$2.2 billion in 2017. Growth will be fairly robust in all markets, with the fastest gains in the diagnostics and research and biotechnology markets. The ongoing demographic shift toward older populaces in developed countries will also support higher diagnostic enzyme demand. Research and biotechnology will continue to benefit from robust investment in the biotechnology sector at both the corporate and national levels. On a geographic basis, growth will be in Central and South America, and the Asia / Pacific and Africa / Mideast regions as strong economic growth and rising disposable incomes boost demand for improved health care, and as pharmaceutical and other fine chemical companies increasingly turn to Brazil, China and India for contract manufacturing solutions.

WORLD SPECIALTY ENZYME DEMAND BY MARKET & REGION (in USD Million)					
Item / Year	2002	2007	2012	2017	2022
By Market:					
I) Research & Biotechnology	380	543	815	1,180	1,720
II) Diagnostics	203	282	430	640	950
III) Others	97	175	255	370	530
By Region:					
North America	345	481	690	960	1,355
Western Europe	172	255	365	515	705
Asia / Pacific	104	163	270	425	670
Other Regions	59	101	175	290	470
- Central & South America	20	31	54	85	125
- Eastern Europe	20	32	52	80	130
- Africa/Mideast	19	38	69	125	215
World Specialty Enzyme Demand	680	1,000	1,500	2,190	3,200
World Enzyme Demand	2,400	3,700	5,130	6,950	9,500
Specialty Enzymes %	28.3%	27.0%	29.2%	31.5%	33.7%

I) Research & Biotechnology

Enzyme demand in research and biotechnology reached \$815 Million in 2012, accounting for 54.3 percent of specialty enzyme demand. The vast majority of enzymes used in research and biotechnology, over 80 percent of demand, are devoted to DNA amplification and sequencing. This segment is led by DNA polymerases, which have experienced strong growth as new DNA sequencing techniques have been developed in recent years and the cost of DNA sequencing has dropped dramatically.

The market for enzymes used in research and biotechnology will advance 7.7 percent per year to \$1.2 billion in 2017, supported principally by continued investment in biotechnology and genetics as pharmaceutical companies rely on biotechnology to overcome difficulties in bringing successful new small molecule drugs to market. Enzyme demand will benefit from market expansion as the recent dramatic fall in sequencing costs will allow for a wider array of investigations to be pursued. However, the new sequencing methods (that have facilitated the sharp reduction in sequencing costs) make more efficient use of enzymes, and intense competition will continue to put pressure on prices and limit faster gains.

WORLD RESEARCH & BIOTECHNOLOGY ENZYME DEMAND BY TYPE & REGION (in USD Million)					
Item / Year	2002	2007	2012	2017	2022
World Pharmaceutical Shipments (bil \$)	628	926	1,310	1,820	2,500
\$ enzymes / 000\$ pharmaceuticals	0.61	0.59	0.62	0.65	0.69
World Research & Biotechnology Enzymes					
By Type:					
1) Polymerase	195	285	435	635	945
2) Nuclease	105	145	215	320	460
3) Other	80	113	165	225	315
By Region:					
North America	198	264	391	545	775
Western Europe	92	135	190	269	370
Asia / Pacific	58	92	150	228	355
Other Regions:	32	52	84	138	220
World Research & Biotechnology Enzyme Demand	380	543	815	1,180	1,720
World Specialty Enzyme Demand	680	1,000	1,500	2,190	3,200
Research & Biotechnology Enzymes as a % of Specialty Enzymes	55.9%	54.3%	54.3%	53.9%	53.8%

II) Diagnostics

Diagnostic enzymes accounted for nearly 30 percent of specialty enzyme demand, or \$430 Million, in 2012, making it the second largest specialty enzyme market. Diagnostic procedures using enzymes are widely conducted in physicians' offices, hospital laboratories and by consumers at home for routine urinalysis, blood chemistry determinations, and immunological and microbiological testing. While the dominant market sector is the clinical in vitro diagnostics industry, the food industry is also increasingly utilizing enzyme-based diagnostics due to heightened health and safety concerns, though this sector accounts for a very small percent of the diagnostics market. Major diagnostic enzymes include alkaline phosphatase, peroxidase, cholesterol esterase and oxidase, glucose phosphate dehydrogenase, glucose oxidase and triglyceride enzymes. However, with the rapid development of DNA-based diagnostic instruments for use in identifying genetic diseases, food safety and forensics, polymerases and nucleases have come to dominate the market in terms of value.

Demand for diagnostic enzymes is projected to advance 8.3% per annum to \$640 Million in 2017. The greatest gains will occur in the developed North American economy, while the fastest growth will be in the developing economies of the Asia / Pacific and Africa / Mideast regions, Central and South America, and Eastern Europe as growing per capita incomes lead to greater access to health care. In more developed economies, growth will be fuelled by an increased emphasis on

preventative medicine, self-treatment, and surgical and diagnostic procedures, all of which promote the use of diagnostic tests. Additionally, rapidly growing use of DNA sequencing for the identification of food-borne pathogens will also boost demand. Dollar gains in the competitive diagnostics enzyme market will be restrained by ongoing efforts to reduce health care costs, increasing use of reusable immobilized enzymes, and competition from alternative products targeted to the point-of-care testing segment. However, this will be offset by the expansion of health care coverage in the United States, which will boost the overall volume of tests in that market.

WORLD DIAGNOSTIC ENZYME DEMAND BY TYPE & REGION (in USD Million)					
Item / Year	2002	2007	2012	2017	2022
World Pharmaceutical Shipments - (bil \$)	628	926	1,310	1,820	2,500
\$ enzymes / 000\$ pharmaceuticals	0.32	0.30	0.33	0.35	0.38
World Diagnostic Enzymes					
By Type:					
1) Polymerase	55	85	120	205	325
2) Nuclease	30	40	60	95	150
3) Other	118	157	250	340	475
By Region:					
North America	102	136	196	275	387
Western Europe	48	64	95	133	183
Asia / Pacific	32	45	75	122	197
Other Regions:	21	37	64	110	183
World Diagnostic Enzyme Demand	203	282	430	640	950
World Specialty Enzyme Demand	680	1,000	1,500	2,190	3,200
Diagnostic Enzymes as a % of Specialty Enzymes	29.9%	28.2%	28.7%	29.2%	29.7%

III) Other Specialty Markets

Other Specialty Enzyme Markets include Biocatalysts and Nutraceutical enzymes. Together, these account for around 17% of the specialty enzyme demand, or roughly \$225 Million, in 2012. However, of the two, Biocatalysts holds the larger share of the market.

“Biocatalyst” is a general term and refers to enzymes that catalyze the transformation of non-natural compounds. Enzymes catalyze nearly all types of chemical reactions and are highly specific while operating at ambient temperatures and in neutral pH, with low energy requirements and little waste. Disposal poses few problems since the proteins of enzymes are biodegradable. In addition, enzymes offer a chemical and stereochemical selectivity which makes them attractive alternatives to many traditional catalysts in chemical manufacturing. Biocatalysts are used in the production of pharmaceuticals and other fine chemicals; they are included in specialty enzymes due to their relatively low volume use and high value-added nature. Overall demand for biocatalysts is expected to increase at a strong pace through to 2017, as chemical manufactures continue to search for biocatalysts as alternate methods of production.

“Nutraceutical” enzymes are defined as enzyme products or formulations which are consumed non-medically for their perceived health benefits. Such enzymes are more likely to be found in developed countries, with United States accounting for the largest share of the market. Nutraceutical enzymes are led by lactases and carbohydrases (alphagalactosidase in particular), which assist in the digestion of dairy products for lactose intolerant individuals and of legumes and other high-fiber foods, respectively.

Nutraceutical enzymes have seen increasing demand in recent years as well, and have come to be a significant portion of the nutraceutical market in developed regions.

Other specialty enzyme demand advanced more than 10 percent per year between 2002 and 2012 as the pharmaceutical industry (and to a lesser degree, other fine chemical producers) looked to overcome rising production costs by using biocatalysts as an alternative to traditional catalysts.

WORLD OTHER SPECIALTY ENZYME DEMAND BY REGION (in USD Million)					
Item / Year	2002	2007	2012	2017	2022
World Chemical MVA (bil 2011\$)	1,105	1,458	1,675	2,115	2,665
\$ enzymes/000\$ chemicals	88	120	152	175	199
World Other Specialty Enzyme Demand					
By Region:					
North America	45	81	103	140	193
Western Europe	32	56	80	113	152
Asia / Pacific	14	26	45	75	118
Other Regions:	6	12	27	42	67
World Other Specialty Enzyme Demand	97	175	255	370	530
World Specialty Enzyme Demand	680	1000	1500	2190	3200
Biocatalyst Enzymes as a % of Specialty Enzymes	14.3%	17.5%	17.0%	16.9%	16.6%

Type-wise distribution of the Global Enzyme Market

One of the common methods of classifying enzymes is based on the kind of substance (i.e. substrate) that they operate upon. Some of the most common include proteases which break down proteins, cellulases which break down cellulose, lipases which split fats (lipids) into glycerol and fatty acids, and amylases which break down starch into simple sugars.

The most common and commercially significant enzyme classes include the carbohydrases, proteases, polymerases/nucleases and lipases. Additional prominent enzyme types include catalases, laccases, oxidases and phytases. Carbohydrases may be further broken down into amylases (including alpha and beta amylases, but not glucoamylases), cellulases (which also include the hemicellulases such as the xylanases and beta glucanases), and other carbohydrases (for example, galacto- and glucosidases, glucoamylases, mannanases, pectinases and pullulanases, among others). Glucose isomerases are also considered to be a type of carbohydrase. While proteases may be further broken down based on their choice of substrate or their provenance, for the purposes of this study they will be grouped together in a single category. Polymerases and nucleases have been grouped together, as they both work on nucleic acid polymers such as ribonucleic acid (RNA) and deoxyribonucleic acid (DNA), and are commonly used in the same markets.

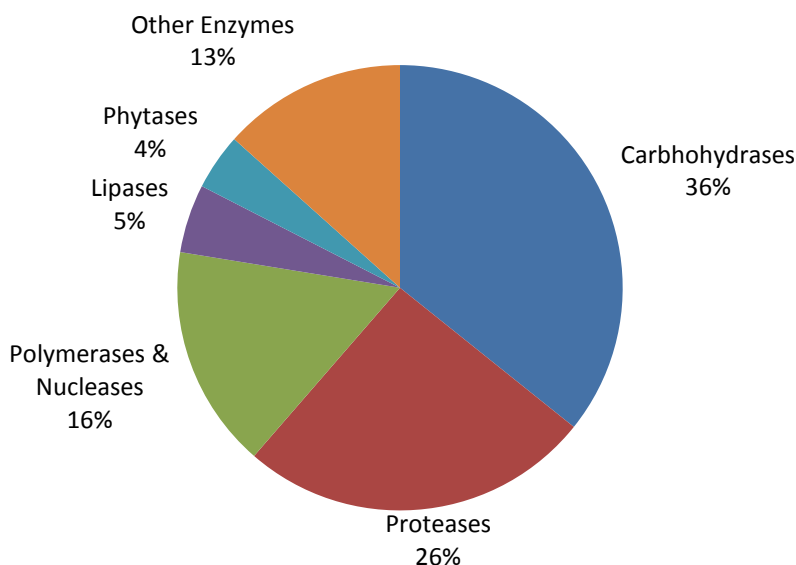
Demand for enzymes is forecast to increase 6.3 percent per year to \$7.0 billion in 2017, aided by rapid growth in key markets, as well as the introduction of new, higher-value products. This will include both new versions of existing products such as amylases and proteases that have been optimized for specific applications, and new enzyme types whose potential has yet to be fully explored. Polymerases and nucleases will achieve the fastest growth due to the growing interest of pharmaceutical companies in using biotechnology to bring new drugs to market, as well as the rapid development of new diagnostic tests that target DNA and RNA substrates. Other enzymes will also offer some of the best opportunities for growth through 2017, helped by strong increases in phytase enzymes for animal feed applications, the market development of sulfatases and other enzymes for enzyme replacement therapy, and continued expansion of the biocatalyst market. Good market opportunities will also exist in carbohydrases due to strong growth in most industrial applications.

Carbohydrases will continue to represent the largest single category of enzymes, supported by the large fuel ethanol and starch processing markets, as well as applications in food and beverages, textiles and pharmaceuticals. Proteases, the second largest enzyme category, will continue to lose market share as the cleaning product, dairy and leather markets have reached maturity and competitive pricing pressures remain strong.

WORLD ENZYME DEMAND BY TYPE (in USD Million)					
Item / Year	2002	2007	2012	2017	2022
World Gross Domestic Product (bil 20011\$)	58,060	72,950	83,320	100,700	122,300
\$ enzymes/mil \$ GDP	41	51	62	69	78
World Enzyme Demand					
By Type:					

Carbohydrases	775	1,295	1,835	2,340	3,060
Proteases	765	1,050	1,315	1,760	2,345
Polymerases & Nucleases	250	370	555	840	1,270
Lipases	114	187	255	345	460
Phytases	79	178	210	300	400
Other Enzymes	282	435	685	950	1,355
World Enzyme Demand	2,400	3,700	5,130	6,950	9,500

WORLD ENZYME DEMAND BY TYPE (2012): \$5.1 billion



North American Enzyme Market:

North America is the largest regional enzyme market globally, accounting for over 40 percent of world demand in 2012. Enzyme demand in North America is heavily concentrated in the United States, which alone accounted for 90 percent of regional demand in 2012. Other promising markets can be found in Canada and Mexico as well, with demand expected to increase in Canada above the regional average, as strong growth in specialty enzymes drives gains. Overall, enzyme demand in North America will advance 4.3 percent per year to over \$2.6 billion in 2017. While advances in specialty enzymes will help drive strong overall market growth, enzyme demand will be restrained by the relatively mature nature of most North American industrial enzyme markets, with the maturation of the grain-based ethanol biofuel production market in the US contributing to a significant portion of the slower growth.

The United States is the largest consumer of enzymes in the world, accounting for over 37 percent of the global and 90 percent of the regional demand in 2012. All enzyme markets are found in the US due to the diversity of its advanced economy. Easy access to capital and a business climate that favors both constant productivity enhancements and cost reductions also make it a natural location for the introduction of new applications. Going forward, enzyme demand in the US will advance 4.2 percent annually to \$2.4 billion in 2017, as strong growth in specialty enzymes offsets slower growth in biofuel production and maturity in most industrial enzyme markets. Biofuel production enzymes, in particular, will experience much slower advances in demand as the industry matures and future increases in grain-based ethanol consumption mandated under federal law are lower in percentage terms than in years past. Most enzyme types will experience moderate to strong growth, with cellulases doing particularly well due to the development of the cellulosic ethanol industry. The largest portion of enzyme demand in the US is accounted for by the industrial enzyme segment, which reached \$1.3 billion in 2012. Industrial enzymes include a wide variety of markets such as animal feed, cleaning

products (detergents), cosmetics and toiletries, ethanol production, food and beverages, oilfield chemicals, pulp and paper, starch processing, and textiles and leather. Several of these markets have reached maturity in the United States as the use of enzymes has become standard practice. Some industries, such as textiles and leather, are facing declines as production has shifted to countries with lower labor costs such as China and India. The rest of enzyme demand in the US is accounted for by the specialty enzyme segment, which reached \$635 Million in 2012. Demand has increased rapidly in recent years as the continued introduction of new drugs to treat lysosomal storage disorders and the explosive growth in the use of botulinum toxin for cosmetic procedures have resulted in pharmaceutical enzyme demand expanding at a double-digit annual pace between 2002 and 2012. However, growth moderated significantly during the country's long recession as consumers cut discretionary spending on cosmetic procedures and many of the newest enzyme replacement therapy drugs rapidly reached patient saturation in the US. Strong growth in US pharmaceutical shipments has also contributed to rapid gains in research and biotechnology enzymes as companies have increasingly turned to biologically-derived compounds to fill their new drug pipelines. Diagnostic enzyme growth has also been strong in recent years as new diagnostic tests increasingly use polymerases and nucleases to check for a variety of factors

NORTH AMERICA : ENZYME DEMAND BY TYPE & MARKET (in USD Million)					
Item / Year	2002	2007	2015	2017	2022
North America Enzyme Demand					
By Type:					
1) Carbohydrases	387	628	904	1017	1160
Amylases	145	255	355	405	415
Cellulases	52	65	79	102	250
Other Carbohydrases	188	308	470	510	496
2) Proteases	276	365	410	495	590
3) Polymerases & Nucleases	200	271	395	561	790
4) Lipases	46	73	96	118	150
5) Phytases	27	46	62	90	105
6) Other Enzymes	129	193	263	349	515
By Market:					
Industrial Enzymes	720	1,095	1,440	1,670	1,955
- Food & Beverage	197	276	355	445	545
- Cleaning Product	177	264	280	350	440
- Biofuel Production	84	261	465	485	539
- Animal Feed	43	71	92	123	148
- Other Industrial	219	223	248	267	283
Specialty Enzymes	5	9	20	38	66
- Research & Biotechnology	198	264	391	545	775
- Diagnostics	102	136	196	275	387
- Other Specialty	45	81	103	140	193
% United States	90.1%	90.4%	90.1%	89.5%	89.4%
North America Enzyme Demand	1,065	1,576	2,130	2,630	3,310

Western Europe Enzyme Market:

Western Europe is the second largest market for enzymes behind North America, accounting for \$1.1 billion or more than 20 percent of global demand in 2012. In Western Europe, six countries namely Germany, France, United Kingdom, Italy, Netherlands and Spain collectively account for about 80 percent of the region's demand. Enzyme demand in Western Europe will rise 5.8 percent per year to \$1.4 billion in 2017. Growth in industrial enzyme demand will generally be restrained by mature markets and weak economic performance as many West European countries struggle with the challenge of recovering from the European debt crisis. Additionally, the ongoing shift in the manufacturing base of West European companies toward those lower labor cost countries in the east of the European Union will have a corresponding negative impact on industrial enzyme demand. Specialty enzymes will continue to grow at a much faster rate than industrial enzymes, further reflecting the region's manufacturing woes. Diagnostic and research and biotechnology enzymes will

achieve the fastest gains as advances in diagnostic tests afforded by the drop in DNA sequencing costs will lead to an expansion in testing for agricultural, food and medical applications, and the region's large pharmaceutical companies continue to boost research and development spending on biologics to expand their new drug pipelines. However, the pace of advances will moderate as the market continues to mature in industrial enzymes, biofuel production and food and beverages will be the fastest growing markets, with the animal feed market also experiencing healthy gains. Biofuel production will benefit from EU efforts to reduce greenhouse gas emissions by requiring certain minimum amounts of renewable content in fuels and other forms of energy. Increasing food and beverage enzyme demand will reflect the continued innovation and development of new products, particularly as food companies continue to turn to enzymes to replace other artificial additives in foods. Following challenging market conditions amid the region's deep recession in 2009, animal feed enzyme demand will improve through 2017. However, market maturity and strong competition will limit advances

WESTERN EUROPE : ENZYME DEMAND BY TYPE & MARKET (in USD Million)					
Item / Year	2002	2007	2015	2017	2022
Western Europe Enzyme Demand					
By Type:					
1) Carbohydrases	167	255	300	375	440
- Amylases	82	130	150	190	205
- Cellulases	42	62	72	90	125
- Other Carbohydrases	43	63	78	95	110
2) Proteases	247	295	310	370	425
3) Polymerases & Nucleases	92	135	193	285	410
4) Lipases	33	50	60	75	90
5) Phytases	29	69	64	82	95
6) Other Enzymes	77	106	163	203	255
By Market:					
Industrial Enzymes	473	655	725	875	1,010
- Food & Beverage	141	215	280	350	405
- Cleaning Product	206	240	240	277	315
- Biofuel Production	2	16	28	38	47
- Animal Feed	69	125	130	159	185
- Other Industrial	55	59	47	51	58
Specialty Enzymes	172	255	365	515	705
- Research & Biotechnology	92	135	190	269	370
- Diagnostics	48	64	95	133	152
- Other Specialty	32	56	80	113	152
% Western Europe	26.9%	24.6%	21.1%	20.0%	18.1%
World Enzyme Demand	2,400	3,700	5,130	6,950	9,500

Asia Pacific Enzyme Market:

The Asia/Pacific region is the second largest regional consumer of enzymes at \$1.2 billion in 2012, having surpassed Western Europe with two countries, China and Japan accounting for almost for 70 percent of global demand. The majority of the region's demand is accounted for by China and Japan, reflecting the size and strength of their economies. However, economic liberalization in India has rapidly expanded enzyme demand there as well. Despite the Asia/Pacific region's large market size relative to the three smaller regions, rapid growth in both China and India will help drive the region's growth at a pace comparable to that in Central and South America and the Africa/Mideast region. Through 2017, demand will rise 10 percent annually to \$1.7 billion. Diagnostics will realize the fastest growth (from a relatively small base), while animal feed, research and biotechnology, and food and beverages will rise at a double digit annual pace. Industrial enzymes constituted nearly three quarters of enzyme demand in the Asia/Pacific region in 2012, with the food and beverage and cleaning product (detergent) markets accounting for the majority of this demand. The shift of textile and leather production from developed nations in North America and Western Europe into the region over the past decade has also boosted the market for textile and leather enzymes. Diagnostic enzymes will experience the fastest growth as rising per capita incomes in developing countries help drive 177 expanded demand for health care. Animal feed enzymes, while still a small market,

are also expected to achieve rapid advances as rising regional per capita meat consumption boosts demand for poultry and swine. Other industrial enzyme markets that offer growth opportunities in the region include food and beverage, starch processing, pulp and paper processing, personal care products, and oilfield chemicals. Specialty enzymes will continue their strong growth, led by diagnostic and research and biotechnology enzymes. Rising demand for medical care and an increased focus on food quality in rapidly developing economies will drive advances in diagnostic enzymes. Research and biotechnology enzyme demand gains will reflect the ongoing trend of chemical companies establishing research and technology centers in China and India in an effort to enable new product development close to rapidly expanding manufacturing operations. Increased pharmaceutical and other fine chemical production in the region will also underpin strong gains in biocatalyst enzyme demand. Advances in pharmaceutical enzymes, in contrast, will moderate significantly as the development of generic versions of some existing drugs puts downward pressure on average prices, and the high cost of most enzyme replacement therapy pharmaceuticals remains out of reach for much of the region.

ASIA PACIFIC : ENZYME DEMAND BY TYPE & MARKET (in USD Million)					
Item / Year	2002	2007	2015	2017	2022
Asia Pacific Enzyme Demand					
By Type:					
1) Carbohydrases	127	235	375	570	925
- Amylases	60	120	190	300	450
- Cellulases	27	50	80	120	245
- Other Carbohydrases	40	65	105	150	230
2) Proteases	132	205	325	520	815
3) Polymerases & Nucleases	60	92	150	245	400
4) Lipases	21	37	58	90	135
5) Phytases	15	37	50	80	140
6) Other Enzymes	40	77	152	240	355
By Market:					
Industrial Enzymes	291	520	840	1,320	2,100
- Food & Beverage	111	218	360	595	940
- Cleaning Product	83	122	217	360	575
- Biofuel Production	3	10	15	20	33
- Animal Feed	36	68	103	160	285
- Other Industrial	60	102	145	185	267
Specialty Enzymes	104	163	270	425	670
- Research & Biotechnology	58	92	150	228	355
- Diagnostics	32	45	75	122	197
- Other Specialty	14	26	45	75	118
% Asia Pacific	16.5%	18.5%	21.6%	25.1%	29.2%
World Enzyme Demand	2,400	3,700	5,130	6,950	9,500

Indian market for Enzymes

Though, the market for enzymes in India is relatively small US\$ 105 Million in 2012, but will be the fastest growing in the world through 2017. Advances will average more than 10% per year through 2017, driving demand to \$173 Million. As with most other markets in the Asia / Pacific region, demand is concentrated in industrial enzymes. However, the rapid development of India's pharmaceutical and chemical industry is starting to change this, and specialty enzyme demand will outpace industrial enzyme demand going forward.

Enzyme demand in India is concentrated in industrial enzymes, particularly the cleaning product (detergent), food and beverage, and textile and leather markets. However, even within these industries, enzyme usage rates are significantly below the developed economies of Japan, North America and Western Europe. To a large extent, this can be traced to the government policies that have made it disadvantageous for companies to grow above a certain size, and restricted access to foreign capital for modernization and productivity enhancements. Consequently, smaller companies have lacked the assets and financial resources to modernize their operations with the newer, more efficient technologies that make greater use of

enzymes. As the economy is slowly opened to increased foreign direct investment, enzyme usage rates should continue to improve.

In specialty enzymes, around half the demand is in the Research and Biotechnology space. Strong growth will also be seen in research and biotechnology as the government seeks to promote development of the biotechnology sector to showcase the country's technological prowess, and Indian pharmaceutical and biotechnology companies increasingly seek to make inroads into the developed markets of the United States, the European Union and Japan by investing in advanced technologies. This same trend will also benefit the biocatalysis market.

INDIA : ENZYME DEMAND BY TYPE & MARKET (in USD Million)					
Item / Year	2002	2007	2015	2017	2022
India Enzyme Demand					
By Type:					
1) Carbohydrases	12	20	34	52	80
2) Proteases	10	21	39	65	100
3) Other Enzymes	9	15	32	56	99
By Market:					
Industrial Enzymes	26	47	85	135	213
- Food & Beverage	8	15	24	40	69
- Cleaning Product	6	14	37	62	95
- Other Industrial	12	18	24	33	49
Specialty Enzymes	5	9	20	38	66
Total India Enzyme Demand	31	56	105	173	279
% of India Enzyme Market contributed by Industrial Enzymes	83.3%	83.9%	80.9%	78%	76.3%
Asia / Pacific Enzyme Demand	395	683	1,110	1,745	2,770
% of India Enzyme Demand to the Asia / Pacific Enzyme Demand	7.8%	8.2%	9.5%	9.9%	10.1%

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled “Forward-Looking Statements” beginning on page 18 of this RHP, for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

The financial information used in this section, unless otherwise stated, is derived from our Consolidated Financial Information, prepared in accordance with Indian GAAP and Companies Act and restated in accordance with the SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this RHP, including the information contained in the sections titled “Risk Factors” and “Financial Information” beginning on pages 19 and 230, respectively.

OVERVIEW

We are the largest Indian enzyme company, engaged in the research and development, manufacturing and marketing of 400+ proprietary products developed from 60 indigenous enzymes.

Having more than two decades of fermentation experience in the production of enzymes, we rank among the top 15 global companies in terms of enzyme sales, and have the second highest market share domestically, next only to the world’s largest enzyme company Novozymes. We operate in two primary business verticals namely Healthcare & Nutrition (human and animal) and Bio-Processing (food and non-food). By following critical industry trends, we focus on ensuring that our enzyme products are relevant, helping customers to meet the evolving market demands. We are a fully integrated enzyme manufacturing company driven by extensive focus on research and development (“R&D”) of various enzymes, enzyme blends, enzyme products and customized enzyme solutions. Our experienced and qualified R&D team strives to develop creative, cost-effective unique and innovative solutions, thereby enabling our customers to develop superior products and processes. We believe that our products assist our customers in making most of their resources, optimizing their processes, improving their product quality, saving their time and money while also mitigating the impact on the environment. We offer these products to our global clientele of more than 700 customers spanning presence across 50 countries worldwide. We supply these value-added and eco-safe enzyme products to diverse end-user industries like human healthcare and nutrition, animal nutrition, food processing, baking, dairy and cheese processing, fruit and vegetable processing, cereal extraction, brewing, grain processing, protein processing, oil and fat processing, biomass processing, textile processing, leather processing, paper & pulp processing, bio-fuels, bio-catalysis etc. Although we have the capability to manufacture enzymes using all the four natural origins viz. plant, animal, bacterial and fungal, our major focus is on developing enzymes through microbial fermentation.

Our Promoters Mr. Chandrakant Laxminarayan Rathi and Mr. Vasant Laxminarayan Rathi have a cumulative experience of more than seven decades in the global enzyme industry and have contributed widely in our Company’s success and growth. Under their leadership and guidance, we have been successful in creating a strong footing in the existing markets as well as expanding our presence in new and unexplored markets. Our Promoters’ knowledge and understanding of the industry has led us to win several awards and recognitions. We were recipients of the “Fastest Growing mid-sized companies” award organized by Inc. India in the year 2013. In 2014, our Company was awarded the Bio-excellence award for ‘Best Industrial Biotech Company’ by the department of Information Technology, Biotechnology and Science & Technology, Government of Karnataka. We were also awarded the ‘Most Innovative Exporter’ award organized by Dun and Bradstreet in the year 2012, ‘Bio-Excellence’ award instituted by the Department of Information Technology, Biotechnology and Science and Technology, Government of Karnataka in the Industrial Biotech Sector in the year 2010, and the ‘Emerging India Awards 2010’ for Life science-Pharmaceuticals and Chemicals segment organized by ICICI Bank – Business Banking and CNBC TV18. Further, we have been recognized as a “Star Export House” by Director General of Foreign Trade.

Our experienced and qualified R&D team consists of more than 55 members comprising of scientists, microbiologists, engineers, food technologists, biotechnologists etc. We have four R&D facilities, of which two are located at Thane, and one each at Sinnar and Chino, California. In Fiscals 2016, 2015 and 2014, our Company incurred ₹ 81.76 million, ₹ 91.31 million and ₹ 81.27 million, respectively towards R&D activities on an unconsolidated basis aggregating to 5.84%, 7.18%,

and 5.94%, respectively of our unconsolidated total revenues during these periods. Our persistent R&D efforts have enabled us to continuously develop new and innovative enzyme products and customised blends for various applications for our customers. As on the date of this RHP, 13 (thirteen) patents have been registered in its name and applications for registration of 4 (four) patents are pending before the relevant authorities. Additionally, we have filed 11 food enzymes dossiers with European Food Safety Authority (“EFSA”) for marketing authorizations in Europe. Further, our Company has 128 (one hundred and twenty-eight) trademarks registered in its name and applications for registration of 14 (fourteen) trademarks are pending before the relevant authorities. Moreover, one of our subsidiaries, Cal-India has 44 (forty-four) trademarks registered in its name and registration of 1 (one) trademark is pending before the relevant authorities. Our Company also has 6 (six) copyrights registered in its name and registration of 2 (two) copyrights is pending before the relevant authorities.

Our six geographically-spread and accredited manufacturing facilities enable us to produce a wide range of products and help cater to a diverse set of industries globally. These facilities are flexible and multi-purpose in nature, capable of developing quality enzyme products and solutions with varying batch sizes, customised to meet our clients’ requirements, while adhering to strict controlled processes and allowing for complete traceability of our products. Four of these are located in India which consist of two integrated fermentation, recovery & formulation facilities at Sinnar (Nashik, Maharashtra, India) and Pithampur (Dhar, Madhya Pradesh, India), one extraction and recovery facility at Satpur (Nashik, Maharashtra, India), and one blending, mixing and formulation facility at Vashind (Thane, Maharashtra, India). Two blending, mixing and formulation facilities are located outside of India at Chino (California, United States). Our domestic and international facilities have been approved / certified by various regulators / certifying agencies. We have received “Indian FDA” approval for several of our products as well as other global standard certifications such as “HALAL”, “Kosher”, “NPOP”, “GOTS”, etc. Most of our key clients have audited and approved our facilities and manufacturing processes, which has helped us to establish our reputation and reliability as a supplier of quality enzyme products and customized enzyme solutions, and enabled us to receive repeat business as well as attract new customers.

We have a de-risked business model having diversified client base with our top 10 customers accounting for 41.48% of our total revenues on consolidated basis for the fiscal year ended March 31, 2016. Some of our customers include Sanofi India, Cipla, Ipca Laboratories, Alkem Laboratories, and Emcure Pharmaceuticals. Both domestic and international markets are well serviced by our 55+ dedicated sales & marketing team.

US is an important focus market for us which contributes to a major portion of our international revenues. We primarily operate in the Healthcare and Nutrition vertical in US, and are engaged in providing proprietary and customised enzyme blends, mainly to the nutraceutical industry. Further, we also actively cater to the animal nutrition, food processing and non-food processing verticals in the US market. In the year 2012, we have also launched our own branded enzyme supplements in the US, offering healthcare professionals and consumers a natural therapeutic alternative for preventive care and health using high quality systemic and digestive enzyme supplements. We market these branded supplements through multiple channels including retail stores, online as well as through medical professionals.

Our restated consolidated revenue from operations increased from ₹ 1,717.41 million in Fiscal 2012 to ₹ 2,937.62 million in Fiscal 2016, representing a CAGR of 14.36%. Our restated consolidated EBITDA increased from ₹ 622.80 million in Fiscal 2012 to ₹ 1,382.32 million in Fiscal 2016, representing a CAGR of 22.06%. Our restated consolidated profit after tax increased from ₹ 333.36 million to ₹ 784.35 million during the same period at a CAGR of 23.85%. We have been a consistent profit making and dividend paying Company since 1997.

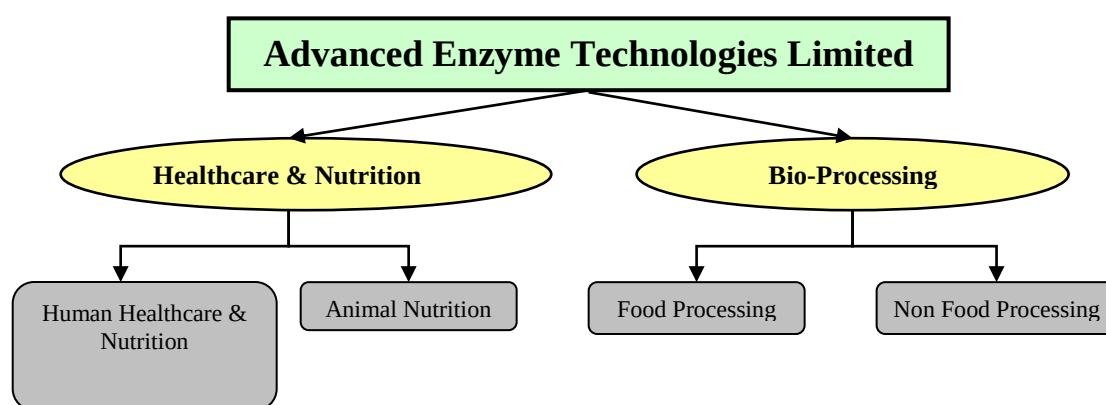
Our restated consolidated revenue from operations, EBITDA and profit after tax for the fiscal year ended March 31, 2016 was ₹ 2,937.62 million, ₹ 1,382.32 million and ₹ 784.35 million respectively, with an EBITDA margin of 47.06% and PAT margin of 26.70%. For the fiscal year ended March 31, 2016, 63.56% of our revenue from operations was from international markets, while 36.44% was contributed by the Indian market.

Contribution from our key business verticals over Fiscals 2016, 2015 and 2014 are as follows:

	Fiscal 2016		Fiscal 2015		Fiscal 2014	
Total Revenue – Business Verticals	(in ₹ million)	% of Total Revenue	(in ₹ million)	% of Total Revenue	(in ₹ million)	% of Total Revenue
Healthcare and Nutrition	2,574.09	87.62	1,889.66	84.70	1,908.92	79.72
Bio-Processing	363.53	12.38	341.42	15.30	485.58	20.28
Total Revenues	2,937.62	100.00	2,231.08	100.00	2,394.50	100.00

Key Business Verticals

The following chart enumerates the key business verticals in which we currently operate and the industries that we cater to under such verticals:



Healthcare and Nutrition:

- **Human Healthcare and Nutrition:** We provide our proprietary enzyme products and customized enzyme solutions to various pharmaceutical and nutraceutical companies in India, North America, Asia (ex-India), Europe and other countries globally. Our enzymes are used by customers as active ingredients in their pharmaceutical and nutraceutical formulations. Some of our key customers in this business vertical include Sanofi India, Cipla, Ipca Laboratories, Alkem Laboratories, and Emcure Pharmaceuticals.
- **Animal Nutrition:** We provide enzyme based feed additives for the animal nutrition industry, mainly catering to poultry and swine. Many feed ingredients are not fully digested by livestock. However, by adding enzymes to feed, the digestibility of the components can be enhanced. Enzymes are a well-proven and successful tool that allows feed producers to extend the range of raw materials used in feed, and also to improve the efficiency of existing formulations. Our product offering enables animals to maximize the nutrients they absorb from the feed, thus helping in reducing feed costs, minimizing animal waste production and accordingly helping to reduce environmental pollution. Enzymes are added to the feed either directly or as a part of the premix together with vitamins, minerals, and other feed additives.

Bio-Processing:

- **Food Processing:** By maximizing their resources and continuously enhancing the quality of their products, food and beverage manufacturers are improving the choices enjoyed by consumers and users around the globe. Enzymes play an essential role in bringing more nutritious and appealing food and beverage products to the modern world, and they offer significant benefits beyond the scope of traditional alternatives. By following critical food and beverage industry trends, we provide our proprietary enzyme products and customized enzyme solutions for food processing industries like baking, dairy and cheese processing, fruit and vegetable processing, cereal extraction, brewing, grain processing, protein processing, and oils and fats processing. Our specialized enzyme products help customers to improve the

quality of their products, reduce wastages, optimize resources, produce higher yields, reduce costs and also to reduce environmental pollution.

- **Non Food Processing:** Enzymes are considered as potent biocatalysts for a large number of reactions. We offer eco-safe solutions for variety of industries such as textiles, leather, detergent and pulp and paper, which are used in the manufacture of a wide range of products. Our biological solutions improve the efficiency of industrial processes by saving energy, water and other raw materials, while reducing waste and effluent load, thereby helping our clients to comply with the pollution norms reducing overall process cost.

OUR STRENGTHS

We consider the following to be our principal competitive strengths:

Integrated Company with presence across the Enzyme Value Chain

We are an integrated Company with presence across the enzyme value chain, covering the entire range of activities from R&D, commercial-scale manufacturing, to marketing of enzyme products and customized enzyme solutions. Unlike various other players in the industry, which are present in only some parts of the value chain, our integrated presence enables us to be cost-effective vis-à-vis competition, and helps us ensure end-to-end quality control resulting in superior products. Our business model aims to capture opportunities arising from global megatrends by combining strong production capabilities with application expertise and local delivery. We are continuously innovating and upgrading our product offerings through formulation and application development. With our integrated business model and strong knowledge base, we believe we are one of the leading industry players in quality and innovation, regulatory & technical expertise, sustainability, and customer & consumer understanding. Integration right from enzyme development, production and application development allows us to cater to our clients' unique and specific requirements, and provide them customized value-added solutions, which further enhances our business profile and strengthens our client relationships.

Strong R&D, enzyme development and manufacturing capabilities

We are a research driven company and have invested significant resources in the R&D of various enzymes, proprietary enzyme products and customized enzyme solutions since inception. For the Fiscals 2016, 2015 and 2014, our Company incurred ₹ 81.76 million, ₹ 91.31 million and ₹ 81.27 million, respectively towards R&D activities on an unconsolidated basis aggregating to 5.84%, 7.18% and 5.94% respectively of our unconsolidated total revenues during these periods.

We presently have four R&D facilities located at Thane, Sinnar and Chino, California supported by a team of more than 55 members consisting of scientists, microbiologists, engineers, food technologists and biotechnologists. Our R&D capabilities include fermentation process development, applied microbiology, proteomics and application development. Our application development laboratories focus on innovative enzyme applications that lead to improvement in the product quality and process efficiency across various industries like baking, dairy and cheese processing, fruit and vegetable processing, cereal extraction, brewing, grain processing, protein processing, oil and fat processing, biomass processing, textile processing, leather processing, paper and pulp processing, bio-fuels, bio-catalysis etc.

We are one of the leading enzyme manufacturers globally with fermentation capacity of 360 cubic meters, and six geographically diversified manufacturing facilities. Our manufacturing facilities are flexible and multi-purpose in nature, capable of developing quality enzyme products and solutions with varying batch sizes, customised to meet our clients' requirements, while adhering to strict controlled processes and allowing for complete traceability of our products. The large production capacities coupled with a globally competitive cost base, has enabled us to develop new enzymes, enzyme products and customized solutions across our business verticals for the domestic as well as international markets.

Conceiving an enzyme, developing value-added novel applications, developing commercially viable production technology, and subsequently commercializing the enzyme product successfully, is one of our biggest strengths. As on the date of this RHP, we have successfully developed and commercialized 60 enzymes, and market 400+ proprietary products developed from them.

Specialized Business Model with high entry barriers

The enzyme industry is very concentrated and consists of very few players with the likes of domestic players like Biocon and foreign MNCs like Novozymes, DSM Nutritional Products and DuPont Danisco. This is because the manufacturing of enzymes, enzyme products and enzyme solutions requires specialized knowledge of enzyme fermentation and also the diverse end-user industries in which these products and solutions are utilized. Our innovation and product development platform is founded on extensive knowledge and expertise of enzymes and microorganisms. By working closely with our partners and customers, we are able to innovate and develop technologies that can be applied effectively in our customers' production and products, increasing their operational efficiency and improving the performance of their end products. We, through our presence of more than 25 years, have been able to develop unique enzymes and product solutions that would be difficult and expensive for our competitors and new entrants to develop. Further, new companies looking to enter the enzyme industry face problems with respect to obtaining sufficient capital which is required to sustain research and development efforts until the products are brought to market. Factors such as the technical and specialized nature of the business, heavy reliance on research and development and dearth of qualified professionals with experience in enzyme and biotechnology industry operates as an entry barrier to new players in the market. As a result, the enzyme industry has very few players and the top players account for a significant portion of the global market share. Our Promoters, who have a cumulative experience of more than seven decades in the global enzyme industry, are the backbone of our Company and are well supported by qualified professionals having significant experience in the enzyme and biotechnology industry and our in house ability to develop new products keeps us in good stead.

Diversified Product Portfolio and Wide Customer Base, served by a Strong Sales, Marketing and Distribution network

Our constant endeavour is to bring sustainable solutions to the market by using natural materials to design products that meet the demand for healthier and safer products, across various industry end uses. We have a diversified product portfolio catering to various verticals and end-user industries with more than 400 proprietary enzyme products developed from 60 enzymes. We have a wide presence in the Healthcare and Nutrition and the Bio-Processing verticals and cater to some of the leading and reputed companies such as Sanofi India, Cipla, etc.

We have a de-risked business model having diversified client base with our top 10 customers accounting for 41.48% of our total revenues on consolidated basis for the fiscal year ended March 31, 2016. We offer these products to our global clientele of more than 700 customers spanning presence across 50 countries worldwide. Our revenues are geographically diversified with US, India, Asia (ex-India), Europe and other geographies (excluding India and US) accounting for 54.94%, 36.44%, 3.63%, 3.84 % and 1.15% respectively of our total revenues from operations for the fiscal year ended March 31, 2016.

We serve our customers through a strong sales and marketing network in our major markets namely North America and India. In addition, through our network of international distributors, we also cater to European, Latin American and other Asian markets.

With our consistent track record and wide product portfolio, we have been able to obtain repeat orders from many of our customers, and have also been able to attract new customers.

Experienced Promoters and Strong Management Team

Our Promoters Mr. Chandrakant Laxminarayan Rathi and Mr. Vasant Laxminarayan Rathi have a cumulative experience of over seven decades in the global enzyme industry, which helps us in assessing market opportunities, estimating future potential of new products and applications, and positioning ourselves in the market accordingly. Their industry knowledge and understanding also gives us the key competitive advantage enabling us to expand our geographical and customer presence in existing as well as target markets, while exploring new growth avenues. Our Promoters are supported by a well-qualified and strong management team with several years of industry experience in their respective domains of research, quality control, sales, marketing, strategy and finance. Most of our Key Managerial Personnel have been associated with our Company for more than 10 years. For further details regarding our Key Managerial Personnel, please refer to the chapter titled "Our Management" beginning on page 198 of this RHP.

Financial stability and stable cash flows

During the fiscal years ended 2016, 2015 and 2014, we reported EBITDA of ₹ 1,382.32 million, ₹ 908.60 million and ₹ 1,037.77 million, respectively. Our EBITDA has grown at a CAGR of 22.06% from fiscal 2012 to fiscal 2016. Further, as

on March 31, 2016, our long term debt / equity ratio was 0.26. During fiscal years ended 2016, 2015 and 2014, we reported Return on Net worth (RONW) of 28.14%, 23.85% and 12.07 %, respectively. We believe that our robust financial position illustrates not only the growth of our operations over the years, but also the effectiveness of the administrative and cost management protocols that we have implemented across our business. Among other things, our strong financial position and results of operations have enabled us to invest in our continuous research and development efforts.

Our financial stability and steady operational cash flows enable us to meet the present and future product needs of our clientele. Our strong balance sheet and financial performance gives our customers, the confidence that we will be able to support them with our products in terms of both capabilities and capacities. Over the years, we have significantly invested in R&D, and dedicated infrastructure to support the growing needs of our customers. Our ability to make these investments helps strengthen trust and engagement with our customers, which enhances our ability to retain them and extend our engagement across various products.

OUR STRATEGIES

Our business objective is to grow our revenues and profits through increased market presence. We intend to do so by enhancing our geographical presence in key target markets, increasing our products and customized solution offerings in established markets, and expanding into target business verticals presenting significant growth potential. This may require us to invest significant resources towards enhancing our R&D capabilities, augmenting our sales and marketing network in key target geographies as well as exploring acquisition opportunities to accelerate our growth through the inorganic route. These key elements of our business strategies are described in greater detail herein:

Continue to invest significantly in R&D

Being a research driven company, we will continue to invest significantly in research and development as it forms the core of our business. We intend to increase our initiatives in R & D in order to further boost our existing verticals of Healthcare and Nutrition and Bio-Processing. We believe that we possess the necessary skills, technology, know-how, in-house R&D capabilities and intellectual property competence, to develop new enzymes, enzyme products, customized enzyme solutions and proprietary products, which can be manufactured and marketed in both domestic and international markets.

Going forward, we intend to expand our research and development capabilities, by increasing our investment in technology and employing qualified individuals from the industry thereby augmenting our dedicated in-house R&D team. We believe that continued investments in R&D will enable us to introduce new enzymes and enzyme products, increase our productivity, improve our operating efficiency, and enable us to penetrate existing and new market segments.

Consolidate and Further Grow Our Existing Business Verticals

We intend to continue to consolidate our market position in our key business verticals of Human Healthcare and Nutrition, Animal Nutrition, Food Processing, and Non Food Processing and aim for growth in these areas through various initiatives, including driving innovation, expanding opportunities, identification of gaps in our product portfolio for the introduction of new products, increasing product and market penetration, investing in the training and effectiveness of our marketing and sales force, continuing to operate with a market oriented structure, with increased focus on customers as well as on internal leadership development to cultivate knowledge and drive results thereby increasing our market shares across target geographies.

In addition, we intend to continue to maintain our market share and leadership position in the Human Healthcare and Nutrition space. World over people are becoming increasingly aware about Healthcare and Nutrition, including infant nutrition, geriatric nutrition, women nutrition and sports nutrition, which we can leverage going forward. Further, we will continue to enhance our presence in the branded enzyme supplements business in the US by increasing our distribution reach and by leveraging multiple delivery channels.

Additionally, we intend to continue to build our market share in the Animal Nutrition and Food Processing verticals, which are the fastest growing enzyme segments globally. We also intend to selectively pursue areas with growth opportunities such as development of enzymatic product solutions in Biodiesel and Biocatalysis, as well as entering into the non-food based industries that are complementary to or synergistic with our existing product portfolio.

Broaden and Deepen Our Geographical Presence

As the largest enzymes market in the world, we believe that the North American market offers us great potential for growth. We believe there is room to grow our business in the North American market. We intend to deepen market penetration and increase our market share in the North American market for existing products, as well as to position ourselves to successfully commercialize our products under development and any additional products for which we may receive approval. For the US in particular, we plan to target a larger share of our customers spend, with our customised enzyme blends and proprietary enzyme solutions. We also seek to enhance our geographical presence in the Latin American market through our set-up in North America as well as in European and other Asian markets through our set-up in India. Particularly in Europe, we have filed 11 food enzymes dossiers and will continue to file more dossiers in the future as well. In Fiscal 2016, 3.63%, 3.84% and 1.15% of our total revenues was from Asia (ex-India), Europe and other geographies (excluding India and US). Our growth strategy in these markets would vary from country to country depending on country specific regulatory requirements. We may either form important relationships with companies with strong local presence or alternatively appoint local distributors through whom we can undertake our own sales and marketing.

Use of Organic and Inorganic strategy to Explore Growth

We had acquired our erstwhile Group Companies, Cal-India in April 2011 and AST Enzymes in October 2012, which provided us with the commercial platform through which we were able to market and sell our portfolio of products in the United States.

While we have not undertaken acquisitions of other firms / companies / brands outside the group so far, we intend to continue to actively seek and evaluate potential acquisitions targets to explore inorganic opportunities for expanding our presence in North America, Europe and other growth markets. Towards this pursuit, we continuously evaluate inorganic opportunities for expanding our international footprint, strengthening our R & D capabilities and acquiring technologies which can enable us to maintain / improve our cost leadership. Our strategy is to explore acquisition of target companies that offer strong strategic fit to our existing business, possess domain / technology expertise and have good client base and wide sales and marketing network. This shall enable us to augment our product / service offerings, add more customers, improve customer satisfaction levels continuously, by providing our clientele with a wide choice of products and flexibility to meet their changing needs. We may look at target companies with complementary technological skills or product portfolio, along with significant customer reach across our key target geographies.

In addition to using strategic acquisitions to drive growth, we may also explore opportunities to enter into partnership agreements for out-licensing and in-licensing of products to get ready access to newer markets / geographies and augment our product / service offerings. Thus, in terms of our overall growth strategy, we continue looking at inorganic growth actively, and may consider consolidating our market share through acquisitions, if the targets provide a strong strategic fit at a reasonable price.

OUR OPERATIONS

We are the largest Indian enzyme company with global operations engaged in the development, manufacture and sale of enzymes. Our enzymes, enzyme products and enzyme solutions enable our customers to produce more using less energy, water and other raw materials than in conventional production processes. In a biological production process, our customers can, for instance, replace harsh chemicals, and minimize the use of scarce resources. We produce high-quality active ingredients and enzyme blends, which we supply across 50 countries globally. We organize our business into domestic (i.e. Indian) and international operations.

OUR DOMESTIC OPERATIONS

We have grown significantly since our incorporation in 1989. In India, we follow a business-to-business structure, to provide enzymes and enzyme solutions for a wide variety of industries and applications.

OUR INTERNATIONAL OPERATIONS

We have grown our international operations significantly in the recent past, and for the fiscal year ended March 31, 2016, 63.56% of our revenue from operations was attributable to our international business as compared to 62.14% in fiscal year 2012. Our products are sold in 50 countries, either directly through our Subsidiaries or indirectly, through supply, distribution and other arrangements.

OUR PRODUCTS

Through our in-built domain expertise in enzymes, we offer eco-friendly products in the two primary business verticals of Healthcare and Nutrition and Bio-Processing. Healthcare and Nutrition has two distinct divisions i.e. Human Healthcare and Nutrition, and Animal Nutrition. Bio-Processing also has two distinct divisions i.e. Food Processing and Non-Food Processing.

(A) *Human Healthcare and Nutrition*

We serve the Human Healthcare and Nutrition industry by developing, manufacturing and marketing various enzyme products and solutions to pharmaceutical and nutraceutical companies globally, which include products catering to anti-inflammatory, cardiac care and digestive segments. Some of our key Human Healthcare and Nutrition products are as follows:

Key Product	Application
SEBkinase	A proprietary combination of NattoSEB®, Peptizyme® SP and minerals specially formulated to assist and bolster the body's defense system from the damaging and cumulative effects fibrin-based inflammation.
Exclzyme	The original anti-inflammatory and anti-oxidant support formula used around the world.
ImmunoSEB	An enzyme formulation scientifically blended to help kill germs and bolster the body's natural immune system.
ClenzSEB	Used as an effective stand-alone colon cleanse, an additive to other cleanse products or a part of a multi-product cleanse protocol. Also Available with Probiotics
ClenzSEB PB	Used as an effective stand-alone colon cleanse, an additive to other cleanse products or a part of a multi-product cleanse protocol with prebiotics and probiotics.
Pepzyme Super Pro	Designed to increase optimal body mass with greater digestion of protein.
ProHydroxy P	Ideal for use in sport and meal replacement shakes for maximum nutrient availability for athletes and others with special nutritional needs.
ProbioSEB Trio	A probiotic blend of Lactobacillus acidophilus, Bifidobacterium longum and Lactobacillus plantarum. The blend helps maintain or restore the natural balance of intestinal microflora, provides competitive exclusion of pathogens and helps promote of the intestinal barrier function.
ProbioSEB Multi	A blend of 9 different species of lactobacilli and bifidobacteria which all help to maintain the natural balance of intestinal microflora and healthy intestinal function.
DairySEB	A proprietary, multi-enzyme blend specifically designed for complete digestion of dairy and grain products.
DigeSEB	Formulated for optimal digestion and broad specificity for meat, starch, fats, milk, soy, cereal grains and other foods.
DigeSEB Plus	The original DigeSEB ® formula with the addition of two high-activity proteases for even better protein digestion.
HemiSEB	A special enzyme complex that improves digestibility reduces bloating and improves overall nutrition.

Key Product	Application
SEBRelief	A proprietary blend of HemiSEB®, lactase, Bacillus coagulans and simethicone that is specially formulated to help the body breakdown hard-to-digest to or otherwise indigestible gas-producing foods.
SEB-Gluten Relief	A dipeptidyl peptidase IV (DPP-IV) enzyme based blend for the primary hydrolysis of gluten and casein.
Veg-Panzyne	A potent broad-spectrum digestive blend alternative to animal-based Pancreatin 4X.

(B) Animal Nutrition

In the Animal Nutrition division, enzymes are primarily used as feed additives. Many feed ingredients are not fully digested by livestock. By adding enzymes to the feed, the digestibility of the components can be enhanced. Enzymes are a well-proven and successful tool that allows feed producers to extend the range of raw materials used in feed, and also to improve the efficiency of existing formulations. It also leads to reduced effects of anti-nutritional factors and increased energy value of the feed.

Some of our key Animal Nutrition products are as follows:

Key Product	Application
DigeGrain™ X	Arabinoxylan degrading powder xylanase for diets containing wheat, barley, corn, soya, sunflower, etc.
DigeGrain™ M	Mannan degrading powder β-mannanase for diets containing soya, palm kernel, rice bran, rapeseed, etc
DigeGrain™ G	Glucan degrading powder β-glucanase for diets containing barley, wheat, oats, rapeseed, rye, etc.
DigeGrain™ Pro 3	Powder acid protease to improve protein digestibility & bioavailability of amino acids.
DigeGrain™ Pro 6	Powder alkaline protease to improve protein digestibility & bioavailability of amino acids
DigePhos™ 10G	Granulated phytase for improving phosphorus availability through breakdown of plant phytates.
DigeGrain™ Delta	Powder blend of NSP enzymes, protease, amylase & phytase for diets containing corn & soya.
DigeGrain™ Plus	Low complexity NSP enzyme powder blend for diets containing corn & soya.
DigeGrain™ Super	Medium complexity NSP enzyme powder blend for diets containing wheat-soya or barley- soya.
DigeGrain™ Ultra	High complexity NSP enzyme powder blend for highly complex diets containing alternate protein & energy sources.

(C) Food Processing

In the Food Processing division, enzymes help in improving production efficiency and yields, increase the consistency, stability and quality of the final product, reduce overheads for the same output or increase production at the same level of overheads. It also helps in reducing the effluents. We currently offer enzymes for the following food processing sectors:

- (a) *Baking:* Traditionally, enzymes have been used to make bread from flour replacing fats, peroxides, acids etc. Enzymes are now being also offered to extend shelf life and improve softness of bread. We also provide dough conditioning solutions for replacing chemicals / additives used for whitening of bread and more loaf volume thereby increasing output. Enzymes give better whiteness, texture, volume, moisture, colour and taste also increases output by reducing bran which does not fetch good value as compared to the traditional breads, resulting in more profits to the baker. Some of our key baking products are as follows:

Key Product	Application
SEBake Fresh 1.5P/10P/L	Maltogenic amylase preparation for prolonged softness and extended shelf life of baked goods.

SEBake AX / FX	Fungal xylanase preparation for better dough handling and increased loaf volume.
SEBake EG6	Phospholipase preparation for egg reduction in cakes.
SEBAmyl X100P	Fungal alpha amylase preparation for improved softness and flour correction.
SEBake LF / L80	Fungal lipase preparation for dough strengthening, improved whiteness and finer crumb structure.
SEBake Crisp	Protease preparation for gluten correction in wafers and fermented biscuits.
SEBake PP	Traditional protease preparation for gluten modification in production of biscuits, cookies and wafers.

- (b) *Brewing:* Enzymes for brewing offer a range of benefits including flexibility of raw materials, increased extraction, improved filtration of finished products, flavour control, beer stability and chill proofing. Some of our key brewing products are as follows:

Key Product	Application
SEBMalt STP L	Special beta glucanase preparation for malt upgradation and to reduce germination.
SEBrew MT	Medium temperature bacterial alpha amylase for liquefaction of starch.
SEBMalt Plus	Beta glucanase, protease & alpha amylase preparation to improve FAN content and extract yields during mashing.
SEBPro X / XL	Plant protease preparation to improve FAN content and extract yields in mashing.
Proganozyme	Beta glucanase/xylanase complex for wort viscosity reduction and filtration improvement
SEBrew Clear P	for protein-polyphenol haze clarification and beer stabilization.
SEBrew AT	Fungal alpha amylase & glucoamylase preparation for production of low calorie beer.

- (c) *Fruit and Vegetable Processing:* Enzymes are widely used in fruit and vegetable processing. Addition of enzymes helps improve the liberation of the juice from the pulp. Our solutions help increase the yield, clarification of juices and hence improve quality of the juice manufactured and its stability. Depending on the type of fruit of vegetable, enzymes can also help reduce viscosity or improve consistency. Some of our key fruit and vegetable processing products are as follows:

Key Product	Application
SEBMash Tropical	Pectinase and Mannanase for tropical fruit juice extraction.
SEBMash Color Plus	Pectinase preparation for improved color extraction and increased juice yield from grapes & berries.
SEBMash Ultra Plus	New generation pectinase preparation for highly efficient apple juice extraction.
ClariSEB R80L	New generation pectinase preparation for rapid and complete depectinization of various fruit & berry juices.
SEBAmyl GL 400	Amyloglucosidase preparation for starch haze clarification.
SEBMax Olive	Pectinase complex for olive oil extraction
FirmSEB PME 1000L	Highly versatile pectin methyl esterase preparation for fruit firming; improving consistency of pulp, jams, jellies & sauces; production of french cider; production of cloudy apple & pear juices.
SEBClear UFL	Pectinase & hemicellulase complex for cleaning of ultrafiltration membranes and to maintain the permeate flux rate.

- (d) *Starch and grain processing:* Various products are manufactured using grains like wheat, corn, malt, barley, etc., which are rich source of starch. Enzymes are ideal biocatalysts to process starch giving desired products under eco-friendly conditions. Our products enable a plant to use high DS process which helps to increase higher plant output with improved yields. Enzymes also play a significant role in starch separation, viscosity reduction and hydrolysis of gluten during the process. Some of our key starch and grain processing products are as follows:

Key Product	Application
SEBPro AC	Acid protease preparation for starch & grain processing industries
ViscoSEB HTX	Hemicellulase & xylanase complex for rapid viscosity reduction and effective starch

	separation of cereal grains, especially wheat.
Progenozyme	Betagluconase for rapid viscosity reduction and efficient starch separation.
SEBStar MT	Medium temperature bacterial alpha amylase for starch liquefaction.
SEBStar L40	For starch processing.
SEBStar MA	Maltogenic amylase preparation for production of ultra high maltose syrups.
SEBStar HT Max	High active thermostable acid alpha amylase for liquefaction of starch.
SEBAmyl GL Max	High active glucoamylase preparation for efficient saccharification.

- (e) *Oil and fats processing:* We offer enzymes that replace chemicals / additives used for oil extraction resulting in more output, improving yield by approximately 30% to 40%. Some of our key oil and fats processing products are as follows:

Key Product	Application
Addzyme CALB 165G	Immobilized Candida antarctica lipase B for interesterification and transesterification reactions.
Addzyme TL 165G	Immobilised Thermomyces lanuginosus lipase for interesterification and transesterification reactions.
Addzyme RD 165G	Immobilised Rhizopus delemar lipase for esterification, interesterification and transesterification reactions.
Addzyme CALB 5L	Candida antarctica lipase B liquid preparation for esterification, interesterification and transesterification reactions.
Addzyme TL 100L	For esterification, interesterification and transesterification reactions.
Addzyme RD 10L	Rhizopus delemar lipase liquid for esterification, interesterification and transesterification reactions.

- (f) *Dairy and cheese processing:* we offer solutions for enzymes required for production of cheese, yogurt and other dairy products for improved yield, better taste and texture, consistent quality, reduced bitterness and for products containing low levels of lactose. Some of our key Dairy and cheese processing products are as follows:

Key Product	Application
SEBChese Pro	Microbial coagulant for cheese making
Hydrolact W	Lactase for whey processing / production of ice creams
FlavourSEB AP	Protease for flavour enhancement in dairy processing industries.
FlavourSEB LP	Lipase for flavour enhancement in dairy processing industries.

- (g) *Yeast processing:* Yeast extract is produced by hydrolysing baker's or brewer's yeast, for use in food flavouring. Enzymes for yeast processing help to produce yeast extract with enhanced flavour, better taste and mouth feel, higher yields, lower viscosity and improved solubility. Some of our key yeast processing products are as follows:

Key Product	Application
SEBYeast P1	Nuclease for Guanosine Monophosphate (GMP) release
SEBYeast BG	Beta glucanase for the degradation of yeast cell beta glucans
SEBDigest F24P / F35P / F59P	Proteases for endo-hydrolysis of proteins

- (h) *Protein modification:* Enzymes are used to process protein substrates for a wide range of applications such as meat tenderization, hydrolystates, production of savory, flavours, extraction of valuable pharmaceuticals or even production of specific functional peptidases. Some of our key protein modification products are as follows:

Key Product	Application
SEBPro X / XL	Plant protease for the production of hydrolysates from plant, fish or animal proteins.
SEBDigest B69L	Alkaline protease for the production of hydrolysates from plant, fish or animal proteins.
SEBDigest F24L / F24P	Acid protease for the production of hydrolysates from plant, fish or animal proteins.

SEBDigest Gluten P	Protease & peptidase complex for gluten hydrolysis/modification
SEBDigest B7 P	Bacterial neutral endo-protease preparation for vegetable protein hydrolysis/modification
SEBDigest F35L / F35P	Fungal acid endo-protease preparation for vegetable protein hydrolysis/modification
SEBDigest F59 P	Fungal alkaline endo-protease preparation for vegetable protein hydrolysis/modification
FlavourSEB AP	Protease & peptidase preparation for production of yeast extracts and de-bittered protein hydrolysates

Some of our key specialty applications are as follows:

Key Product	Application
Pectazyme T-103	Pectinase to improve the overall quality of the tea, helps make the tea dense thus imparting a better appearance to the tea.
Extractase KLR	Pectinase to improve overall quality of tea
Extractase HB	Pectinase preparation for herbal extraction.
SEBClear UFL	Enzyme complex for increasing juice UF flux rate.
EnviroSEB APN / IMP	For the treatment of effluent in a wide variety of industries including food processing, chemical processing, textile, pulp & paper etc.

(D) **Non Food Processing**

- (a) *Textile Processing:* We offer solutions from pre-treatment to finishing in garment and fabric finishing by substituting the basic and specialty chemicals. These enzymes act as substitutes in fabric processing for de-sizing, scouring, degumming, bio-polishing, print wash and bleach clean-up. Some of our key Textile processing products are as follows:

Garment Processing:

Key Product	Application
RAPIDENZ COOL	Ambient temperature amylase for complete size removal from cotton woven and denim garments under mild conditions.
DENICELL MD	Acid Cellulase for denim biowashing. Aggravates abrasion indigo on denim and dyed garment
ADDZYME FDX	Cellulase for denim biowashing to impart abrasion salt and pepper effect with less back-staining.
DENIBRADE L23	Fast Acting acid Cellulase for biowashing and biopolishing on all types of cotton woven and denim garments. Applicable at broad temperature and pH range.
DENIBRADE 10C	Acid Cellulase for Biofading of over dyed denims, suitable also for biopolishing of woven and knit garments. It is stable in high dye concentrations in washing bath.
SEBSOFT ECO	Ambient temperature neutral Cellulase for biowashing and biopolishing of woven cotton and denims.

Fabric Processing (Mills):

Key Product	Application
ADDSCOUR LPP CONC	Bio-scouring enzyme for complete removal of pectin, oil, wax & dirt from raw cotton, under caustic-free or low caustic conditions during the scouring process
ADDSCOUR SUPER	Bio-scouring enzyme for complete removal of pectin, oil, wax & dirt from raw cotton, under caustic-free or low caustic conditions during the scouring process
ADDSCOUR L CONC	Bio-scouring enzyme for complete removal of pectin, oil, wax & dirt from raw cotton, under caustic-free or low caustic conditions during the scouring process
ADDOX RL	Catalase for complete decomposition of hydrogen peroxide in bleach cleanup process
SEBRITE ECO	Economical range acid cellulase used for very good biopolishing on cotton knit

Key Product	Application
	fabric
SEBRITE PRIME	Gives good biopolishing of cotton knit fabric with reduced color loss

- (b) *Enzymes for Biofuels:* we offer sustainable solutions for biomass processing, saccharification and bioethanol production. In order to design an economically and environmentally sustainable biodiesel production process, plant oils, animal fats and waste products such as animal renderings, fish processing waste and cooking oils are employed as feedstock for biodiesel production. Some of our key Biofuels products are as follows:

Cellulosic Ethanol:

Key Product	Application
SacchariSEB C6L Plus	Cellulase complex for effective hydrolysis & high glucose release from cellulosic biomass.
SacchariSEB EG	Endo glucanase for extensive hydrolysis of lignocellulosic biomass.
SacchariSEB BG	Beta glucosidase for extensive hydrolysis of lignocellulosic biomass.

Biodiesel:

Key Product	Application
Addzyme CALB 165G	Immobilized Candida antarctica lipase B for biodiesel production.
Addzyme TL 165G	Immobilised Thermomyces lanuginosus lipase for biodiesel production

- (c) *Enzymes for bio catalysis:* Enzymes have tremendous potential to bring about a green technology revolution in hundreds of industrial processes that rely excessively on traditional chemicals and solvents. Enzymes can radically alter the impact on the environment by helping minimise the use of harsh, hazardous and harmful chemicals in traditional processes. Applications for enzymes are vast and include the production of pharmaceutical actives, cosmeceuticals, oleochemicals, etc. Some of our key Bio catalysis products are as follows:

Key Product	Application
Addzyme CALB 165G	Immobilized Candida antarctica lipase B for interesterification and transesterification reactions.
Addzyme TL 165G	Immobilised Thermomyces lanuginosus lipase for interesterification and transesterification reactions.
Addzyme RD 165G	Immobilised Rhizopus delemar lipase for esterification, interesterification and transesterification reactions
Addzyme CALB 5L	Candida antarctica lipase B liquid preparation for esterification, interesterification and transesterification reaction
Addzyme TL 100L	Thermomyces lanuginosus lipase liquid for esterification, interesterification and transesterification reactions
Addzyme RD 10L	Rhizopus delemar lipase liquid for esterification, interesterification and transesterification reactions

- (d) *Leather Processing:* We offer eco-friendly solutions for the leather processing industry. Our products includes acid bate which removes cementing matter from collagen, bio-conditioner, bio-enhancer (for natural fat removal), unhearing, bio-enhancer and bio-degreaser. For leather processing, we have also developed a patent which enables lime and caustic free leather processing. The use of enzymes in leather processing results in a more environmentally friendly process and improves the quality of the leather (cleaner and stronger surface, softer leather, less spots). Some of our key leather processing products are as follows:

Key Product	Application
Sebsoak	Highly effective enzyme for soaking application
Sebbate Alkali	Highly concentrated powder providing better economy of use in bating
Sebbate Acid	A versatile acidic bate with combination of different enzymes
Seblime	New generation enzyme based eco-friendly bio degradable, Liming agent

Sebdegrease	New generation enzyme based eco-friendly biodegradable, degreasing agent. It has optimum swell regulating properties which result in excellent grain smoothness
Sebdefold	Highly effective de folding enzyme

- (e) *Pulp and Paper Processing:* We have carried intensive studies during the last few years to use enzymes for pulp and paper industry. Our eco-friendly solutions replace chemicals/additives used for whitening/brightness of paper and its lustre and help in controlling pollution by reducing chemicals used in handling water/wastage. Some of our key Pulp and Paper processing products are as follows:

Key Product	Application
SEBrite 0102S / 0102L	Unique blend of a bio-degradable long-chain polymeric surfactant along with a lipase.
SEBrite Bleach	Thermostable alkaline xylanase preparation for bleach-boosting of virgin pulp
SEBrite DI Super / DIL / DI Plus	Unique cellulase preparation for deinking of recycled paper
SEBrite SM 40L / SM 10L	Amylase preparation designed for starch modification in pulp & paper application.
SEBrite STR /STR L	Lipase preparation for stickies removal in pulp and paper processing.

OUR SALES AND MARKETING

We sell our products either directly to our customers or through distributors. As on the date of this RHP, we have more than 70 distributors in India and overseas markets. In addition, we participate in several trade shows and exhibitions like CPHI, Food Ingredients, Vita Foods, Supply Side West & East, IFT, IPPE, Eurotier, VIV etc. which help us to market our products to existing and new customers and also helps us in brand building.

We have an established presence in the domestic and North American market, and are looking to increase our global footprint in other key markets like Europe, Latin America and Asia (ex-India).

OUR MAJOR CUSTOMERS

Revenues from our international business form a substantial part of our sales and our key international markets include US, Asia (ex-India) and Europe. For the fiscal year ended March 31, 2016, 63.56% of our revenue from operations were from international markets, while 36.44% was contributed by the Indian market. We supply our products to various customers across diverse industries. On account of the well-diversified nature of our business, our top 10 customers contributed 41.48% of our total revenues on consolidated basis for the Fiscal Year ended March 31, 2016.

OUR RESEARCH AND DEVELOPMENT FACILITIES

We have invested significantly in our in-house R & D activities and currently have four R&D laboratories of which one is located at Sinnar, two in Thane and one in Chino, California.

One of the R&D locations in Thane houses the Proteomics and Applied Microbiology laboratories. The Proteomics laboratory is responsible for purification and characterisation of enzymes and also generates significant data for filing regulatory dossiers. The Applied Microbiology laboratory works on developing newer & improved microbial systems that enable high throughput in enzyme production.

The second R&D location in Thane is responsible for Application Development and supports our marketing team as well as customers. This laboratory is exclusively focused on the development of innovative enzyme solutions for various food and non-food processing industries. Also, any lab level support needed for nutritional applications, be it Human or Animal, is carried out from this location. In processing industries, our aim is to develop innovative applications for our enzymes that can lead to improvement in the product quality and/or process efficiency of our customers in various industries like Baking, Fruit & Vegetable Processing, Brewing, Cereal Extraction, Oils & Fats Processing, Protein Modification, Starch & Grain Processing, Textiles Processing, Leather Processing, Paper & Pulp Processing, Biofuels, Biocatalysis, etc.

The third R&D location at Sinnar is responsible for Fermentation Process development and optimisation. It is focused on enhancing the production efficiencies during the fermentation process, enhancing our downstream processing capabilities as well as improving recovery & purification yields.

The fourth R&D location at Chino, California primarily focuses on quality assurance / control, custom application development and providing testing services for our customers.

Our experienced and qualified team of more than 55 scientists, microbiologists, engineers, food technologists and biotechnologists are actively involved in research and development at above mentioned R&D facilities.

OUR MANUFACTURING FACILITIES

We have six manufacturing units, details of which are given below:

Manufacturing Units	Location	Key Products Manufactured	Capacity
Unit-I at Nashik	Plot No. A-61 and A-62 in the Sinnar Industrial Area, within the village limits of Malegaon and outside the limits of Sinnar Municipal Council in rural area, Taluka and Registration Sub-district Sinnar, District and Registration District, Nashik.	Serratopeptidase, Cellulase, Xylanase, Lipase, Fungal Amylase, Pectinase, Protease, Lipase, Beta Glucanase, Lactase	120 cubic meters
Unit-II at Nashik	Land bearing Plot No. H-17 in Nashik Industrial Area, within the village limits of Satpur, District Nashik admeasuring 600 square meters	Papain, Bile salts	36 metric tons per annum
Unit-III at Pithampur, Indore	Plot No. B-5 to 13, Dhar, Special Economic Zone, Pithampur, Indore, Madhya Pradesh.	Serratopeptidase, Cellulase, Xylanase, Lipase, Fungal Amylase, Pectinase, Protease, Lipase, Beta Glucanase, Lactase	240 cubic meters
Unit-IV at Thane	Gat No. 121, Plot No. 1, 2, 3, 4, 5 and 6 being part of Village Pali, Taluka Shahapur, District Thane. Gat No. 121, New Plot No. 7, 8, 9 and 10 being part of Village Pali, Taluka Shahapur, District Thane admeasuring 2,772 square meters	Biograin Series, Aciplex Series	2000 metric tons per annum
US Unit I at SEB, California	13591 Yorba Avenue, Chino, CA 91710, USA	Custom Enzyme Blends, Lactase, Peptizyme, Xylanase	6500 metric tons per annum
US Unit II at SEB, California	4880 Murrieta St., Chino CA 91710, USA		

Provide below are the details of the processes carried out in each of our manufacturing units:

a) Fermentation, Recovery and Formulation facility at Sinnar, Nashik, India

The Sinnar manufacturing facility is our first fermentation facility, set up in 1993 admeasuring 28,373 sq. mt. with fermentation capacity of 120 cubic meters. It is an integrated fermentation, recovery and formulation facility, and is ISO 9001:2008 and WHO cGMP certified. This facility is used for manufacturing of enzymes through processing of natural origins and fermentation of fungi and bacteria. This facility gets its power supply from Maharashtra State Electricity Distribution Company Limited. and also has a DG set with a capacity of 720 KVA to ensure undisruptive power supply.

b) Extraction and Recovery facility at Satpur, Nashik, India

The Satpur manufacturing facility admeasuring 600 sq. mtrs. is our oldest facility functioning as an extraction and recovery facility with a capacity of 36 metric tons per annum. This facility has 52 KVA power connectivity from the Maharashtra

State Electricity Distribution Company Limited.

c) Formulation facility for Animal Nutrition at Vashind, Thane, India

This formulation facility is a blending, mixing and formulation facility dedicated to our animal nutrition business producing over 2,000 metric tons of feed ingredients per annum. The plant has 62 KVA power connectivity from the Maharashtra State Electricity Distribution Company Limited. Being closer to Bhiwandi, a connectivity hub and a focal point for moving goods to different client locations, the facility is equipped with a 5,000 sq. ft. storage area, used for storing finished products.

d) Fermentation, Recovery and Formulation facility at Pithampur SEZ, Indore, India

In 2008, we started this unit as a recovery and formulation facility at the Pithampur Special Economic Zone, to enhance our focus on the international export markets (“**Phase-I**”). This unit was then expanded by adding a state-of-the-art fermentation facility with an aggregate capacity of 240 cubic meters in September 2012 (“**Phase-II**”). The Company has also received an ISO 22000:2005 and WHO cGMP certification for this unit. This unit has 400 KVA power connectivity from M.P. Audyogik Kendra Vikas Nigam (Indore) Limited. Being an SEZ, this facility also has certain tax benefits. For details, please refer to chapter titled “Statement of Tax Benefits” beginning on page 126 of this RHP.

e) Two Blending, mixing and formulation facilities at Chino, California, USA.

Our step down subsidiary SEB provides customized enzyme blends and proprietary enzyme solutions to its customers through our two blending, mixing and formulation facilities at Chino, California.

Our manufacturing facilities are flexible and multipurpose in nature and can be used to manufacture different types of enzyme products with different batch sizes. Our aggregate fermentation capacity as on the date of this RHP is 360 cubic meters.

MANUFACTURING PROCESS

Enzyme manufacture encompasses different processes including filtration, fermentation, microfiltration, etc. The raw materials and processes may, however, vary depending upon the end-use and type of product being manufactured. We manufacture enzymes through liquid culture and solid culture manufacturing processes.

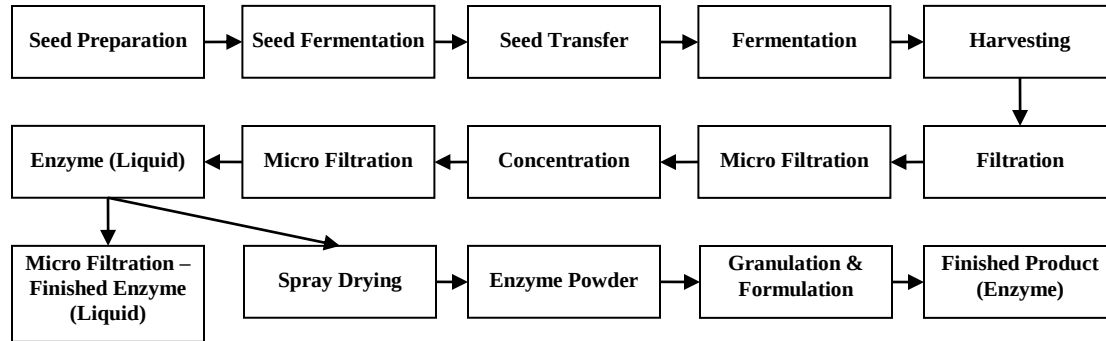
Liquid Culture Enzyme Manufacturing Process

Liquid culture enzyme manufacturing process through fermentation is also known as submerged culture fermentation. In this type of fermentation, the media which is used to grow the microbes is in liquid form and the fermentation is carried out in huge bio-reactor vessels.

Process Flow

The following chart provides the schematic representation for manufacturing of enzymes through liquid culture route:

Process Flow Chart for Liquid Culture Enzyme Manufacturing



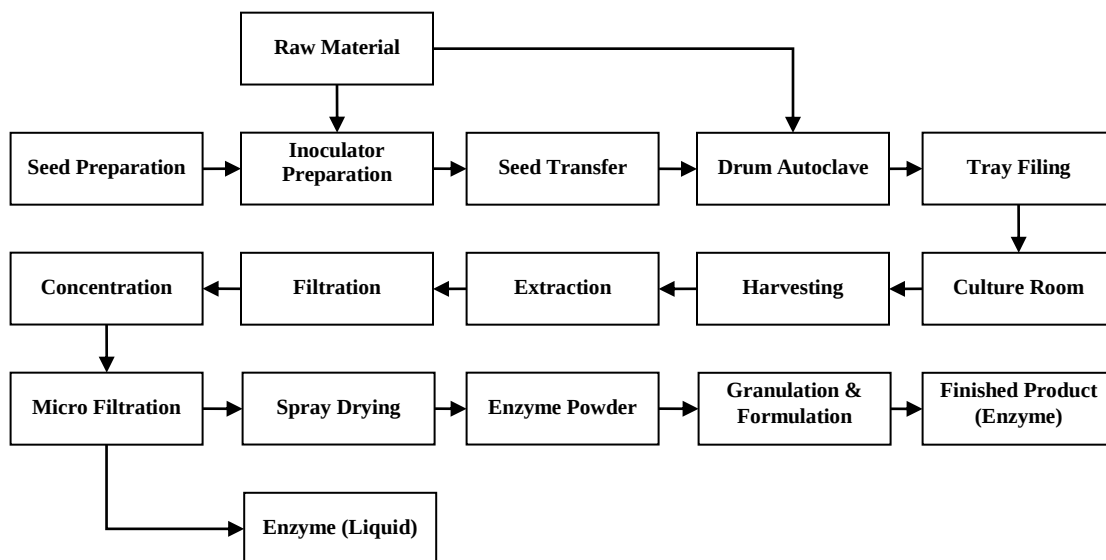
The brief description of the each of the processes in liquid culture enzyme manufacturing process is given below:

- *Seed Preparation*: The desired organism is grown in lab under sterile conditions to maintain purity;
- *Seed Fermentation*: The organism obtained from the lab is further grown by providing the nutrients, along with temperature and aeration to increase its biomass;
- *Seed Transfer*: The pure culture obtained from seed fermenter is inoculated aseptically in to fermenter;
- *Fermentation*: By providing adequate nutrients and growth conditions, the process is carried out to give maximum enzyme activity;
- *Harvesting*: After obtaining the desired activity, the fermentation process is terminated and the downstream process is initiated;
- *Filtration*: It is the process to separate the solid mass from the liquid which contains the enzyme;
- *Concentration*: In the concentration process, the volume of the liquid is reduced by ultra filtration to get concentrated enzyme activity;
- *Micro Filtration*: The bio burden in the final liquid is reduced by the process of microfiltration. Post the micro filtration, the final enzyme product is available in liquid form;
- *Enzyme (Liquid)*: Final product as enzymes in liquid form;
- *Spray Drying*: The final solution is converted into powder form to get concentrate enzyme powder;
- *Enzyme (Powder)*: Final product as concentrated enzymes in powder form;
- *Granulation and Formulation*: The enzymes in powder form can be further processed to form final enzyme products and solutions as per customer specifications.

Solid Culture Enzyme Manufacturing Process

Solid culture enzyme manufacturing process through fermentation is also known as surface culture fermentation. In this type of fermentation, the media which is used to grow the microbes is in solid form (e.g. wheat bran) and the fermentation is carried out in large culture rooms where the temperature and humidity conditions are maintained as per requirement.

Process Flow Chart for Solid Culture Enzyme Manufacturing



The brief description of the each process in solid culture manufacturing process of enzymes is given below:

The brief description of the each of the processes in the solid culture enzyme manufacturing process is given below:

- *Seed Preparation:* The desired organism is grown in lab under sterile conditions to maintain purity;
- *Raw Material:* Raw material is dispensed as per the requirement;
- *Inoculator Preparation:* Steps include cleaning, media, preparation, etc., to prepare for the step of seed transfer;
- *Seed Transfer:* The desired organism obtained from preparation is mixed with the nutrients;
- *Drum Autoclave:* The nutrients are pasteurised and then mixed with the seed to obtain a homogeneous blend;
- *Tray Filing:* The blend obtained is filled in sterile trays which act as fermentation bed;
- *Culture Room:* The trays filled are incubated under controlled conditions of temperature and humidity to obtain maximum enzyme activity;
- *Harvesting:* After obtaining the desired activity, the fermentation process is terminated and the downstream process is initiated;
- *Extraction:* The enzyme produced is removed from the solid media by leaching it with water;
- *Filtration:* It is the process to separate the solid mass from the liquid which contains the enzyme;
- *Concentration:* In the concentration process, the volume of the liquid is reduced by ultra filtration to get concentrated enzyme activity;
- *Micro Filtration:* The bio burden in the final liquid is reduced by the process of microfiltration. Post the micro filtration, the final enzyme product is available in liquid form;
- *Spray Drying:* The final solution is converted into powder form to get concentrate enzyme powder;
- *Enzyme (Liquid):* Final product as enzymes in liquid form;
- *Enzyme (Powder):* Final product as concentrated enzymes in powder form;
- *Granulation and Formulation:* The enzymes in powder form can be further processed to form final enzyme products and solutions as per customer specifications;

RAW MATERIALS

Raw materials essential to our business are procured in the ordinary course of business from numerous suppliers. We carefully assess the reliability of all materials purchased to ensure that they comply with the rigorous quality and safety standards required for our products. In an effort to manage risks associated with raw materials supply, we work closely with our suppliers to help ensure availability and continuity of supply while maintaining quality and reliability. Our raw material sourcing is not dependent on a single source of supply and we have access to alternate sources for our procurement of raw

materials. We purchase our raw materials from both domestic and international suppliers.

All our manufacturing facilities have requisite power and water connectivity through respective state electricity boards and local municipal bodies. We have also installed DG Sets at some of our facilities for necessary backup for power supply.

INSURANCE

We have obtained the following insurance policies for our business:

- Standard Fire and Special Perils Policy;
- Fire Declaration Policy;
- Marine Cargo Open Policy;
- Money Insurance Policy;
- Employee Compensation Policy;
- Group Insurance Policy;
- Burglary Insurance Policy;
- Boiler and Pressure Plant Policy;
- Commercial General Liability – Claims Made*;
- Commercial Output Property Coverage*;
- Workers Compensation Coverage*;
- Employment Practices Liability Coverage*;
- Auto Insurance Coverage*.

**for some of our US subsidiaries*

ENVIRONMENT, HEALTH AND SAFETY

We are required to comply with various rules and regulations relating to the environment. We believe that we comply in all material respects with the environmental regulations that are applicable to us. In particular, we have to seek consents from the various State Government and Government agencies necessary to carry on our business, which we continue to seek from time to time.

We believe that many accidents and occupational health hazards can be prevented through systematic analysis and control of risks and by providing appropriate training to employees and subcontractors. We encourage our employees to work proactively towards eliminating or minimizing the impact of hazards to people and the environment. We believe our adoption of company-wide occupational health and safety procedures is an integral part of our operations. For details on material environment laws applicable to us, please refer to chapter titled “Key Industry Regulations and Policies” beginning on page 176 of this RHP.

CORPORATE SOCIAL RESPONSIBILITY

As its corporate social responsibility (“**CSR**”), our Company has adopted and formulated a policy with a vision to create, facilitate and provide support for persuasion, continuity and improvement in the field of education, health, sanitation and living conditions of the underprivileged sections of society thereby creating a quality human capital for the country. In making a contribution towards our CSR activities, our Company has identified the following projects:

- Advanced Shiksha Yogdan (education sponsorship);
- Advanced Shiksha Abhiyan (adopting or providing support to school run by local government / bodies/ NGO);
- Advanced Basti / Gaon (adopting a slum / village);
- Advanced Badlav (awareness campaign for change); and
- Advanced Protection of National Culture.

In Fiscal 2016 our Company has spent ₹4.46 million towards its CSR activities.

COMPETITION

We compete with various companies in domestic and international markets across our product categories. In the domestic market, we are one of the few enzyme manufacturing companies having in-house R&D and manufacturing capabilities, offering diverse enzyme solutions across Human Healthcare & Nutrition, Animal Nutrition, Food Processing & Non Food Processing segments. There are several formulators in the market which procure concentrated enzymes, reformulate them and sell them into the domestic market. In the overseas markets like US and Europe, we compete with established companies who offer enzyme products and solutions. Our key competitors across various geographies are Biocon, Novozymes (Denmark), DSM Nutritional Products, Amano Enzymes (Japan), AB Enzymes (UK), BASF (Germany) and DuPont Danisco (USA/ Denmark).

STRATEGIC, FINANCIAL PARTNERS AND COLLABORATORS

As on the date of this RHP, we do not have any strategic and financial partnership or technical collaboration with any other entity.

INTELLECTUAL PROPERTY RIGHTS

Trademarks, Copyrights and Patents are essential to our business to strengthen our competitive position. We also enter into trade secret agreements, confidentiality agreements with our employees, third parties etc. to protect our technology, processes and products. Please find below details of trademarks, copyrights and patents registered by the Company.

Patents

Our Company has already obtained 13(thirteen) registered patents and 4 (four) patent applications are pending.

Trademarks

Our Company has 128 (one hundred and twenty-eight) trademarks registered in its name and applications for registration of 14 (fourteen) trademarks are pending before the relevant authorities. Moreover, one of our subsidiaries, Cal-India has 44 (forty-four) trademarks registered in its name and registration of 1 (one) trademark is pending before the relevant authorities.

Copyrights

Our Company also has 6 (six) copyrights registered in its name and registration of 2 (two) copyrights is pending before the relevant authorities.

Employees

Due to the specialized nature of our business, our success to a large extent depends on our ability to recruit, train and retain high quality professionals. As on March 31, 2016, we have 377 employees including the employees across our Subsidiaries.

We encourage our employees to hone their skills through a 21 days internal training program which includes a 7 days technical training, 7 days soft skill training and a 7 days holistic training. We believe these efforts will enable us to build talented human resource capital in our Company.

IMMOVABLE PROPERTY

The Company occupies the following immovable properties:

Owned Properties:-

Sr. No.	Property description	Activity carried on by the Company	Vendor	Consideration (in ₹)
1.	Premises at Offices Nos. 501 to 506 on the “Sun – Magnetica”, A-wing, 5 th Floor, Near LIC Service Road, Naupada, Thane – 400 604 admeasuring 4,655 square feet built-up area	Registered Office	Messrs Karnavat and Associates	1,62,92,500/-
2.	Gat No. 121, Plot No. 1,2,3,4,5 and 6 being part of Village Pali, Taluka Shahpur, District Thane admeasuring 5,603 square meters	Manufacturing unit	Ramkrishna Iron Works Private Limited	12,00,000/-
3.	Gat No. 121, New Plot No. 7,8,9 and 10 being part of Village Pali, Taluka Shahapur, District Thane admeasuring 2,772 square meters	Manufacturing unit	Anita Auto Industries Private Limited	6,25,000/-
4.	Premises at Part (I), First Floor in Building B (1) in Dhanlaxmi Service Industrial Estate situated at Gokul Nagar, Old Agra Road, Thane (West) admeasuring about 1,197 square feet built-up area	Meditation centre	Mr.Chandrakant Laxminarayan Rathi	26,69,310/-
5.	(i) Premises at Unit No. 105 and extension “C”, 1 st Floor in B Building B (1) in Dhanlaxmi Service Industrial Estate situated at Gokul Nagar, Old Agra Road, Thane (West) admeasuring about 627 square feet built-up area; and (ii) Part (II), First Floor in Building (1) in Dhanlaxmi Service Industrial Estate situated at Gokul Nagar, Old Agra Road, Thane (West) admeasuring about 788 square feet built-up area	Meditation centre	Mr.Vasant Laxminarayan Rathi	31,55,450/-
6.	Premises at Unit No. 106 and extension “D”, 1 st Floor in B Building B (1) in Dhanlaxmi Service Industrial Estate situated at Gokul Nagar, Old Agra Road, Thane (West) admeasuring about 627 square feet built-up area; and (ii) Part (III) First Floor in Building (1) in Dhanlaxmi Service Industrial Estate situated at Gokul Nagar, Old Agra Road, Thane (West) admeasuring about 830 square feet built-up area.	Meditation centre	Mrs. Prabha Rathi	32,49,110/-
7.	Premises bearing Flat No. 302, 3 rd Floor, Building No. 4 (A1), Garden Enclave, Near VasantVihar, Pokhran Road No. 2, Thane (West), Mumbai – 400 601 admeasuring 712 square feet carpet area	Residence of the employees of the Company	Mr. Nirmal Bharadia	18,51,000/-

Leasehold / Licensed Properties:

Sr. No.	Property description	Activity carried on by the Company	Title of the Company	Lessor/ Licenser	Rent/ Consideration (in ₹)	Lease/ License period
1.	Land bearing Plot No. A-61 in the Sinnar Industrial Area, within the village limits of Malegaon and	Manufacturing unit	Leasehold	MIDC	Premium paid – ₹ 10,69,900/- Monthly rent payable – ₹ 1/-	95 years from March 1, 1993

	outside the limits of Sinnar Municipal Council in rural area, Taluka and Registration Sub-district Sinnar, District and Registration District, Nashik admeasuring 17,373 square meters					
2.	Land bearing Plot No. A - 62 in the Sinnar Industrial Area, within the village limits of Malegaon and outside the limits of Sinnar Municipal Council in rural area, Taluka and Registration Sub-district Sinnar, District and Registration District, Nashik admeasuring 12,000 square meters	Manufacturing unit	Leasehold	MIDC	Premium paid – ₹ 24,00,000/- Monthly rent payable – ₹ 1/-	95 years from October 1, 2001
3.	Land bearing Plot No. H-17 in Nasik Industrial Area, within the village limits of Satpur, District Nasik admeasuring 600 square meters**	Manufacturing unit	Licensee	MIDC	Rent paid- ₹ 19/-	NA#
4.	Plot No. B-5 to 13, Dhar, Special Economic Zone, Pithampur, Indore, Madhya Pradesh	Manufacturing unit	Leasehold	Madhya Pradesh Audyogik Kendra Vikas Nigam (Indore) Limited	Advance rent paid – ₹ 3,84,000/- Premium – ₹ 1,53,60,000/- Security Deposit – ₹ 3,84,000/- Annual Development Charges – ₹ 3,84,000/-	30 years from December 14, 2005

					Annual Ground rent: - ₹ 3,84,000/- Industrial Area and annual street light charges – ₹ 76,800/-	
5.	Premises bearing Gala No.4, Mac Milan Industries, Tarasingh Compound, Western Express highway, Mira Road, Thane - 401 104	Research, development and manufacturing activities	Licensee	Mullan Kunnumal Damodaran	Security Deposit – ₹ 6,00,000/- Monthly License fees from August 1, 2015 : ₹ 63,000/- Monthly License Fees from August 1, 2016: ₹ 66,150/-	36 months Commencing from August 1, 2014 till July 31, 2017
6.	Premises on the 1 st Floor, Heni Chemical Industries, Plot No. A-161, Main Road, Wagle Industrial Estate, Thane – 400 604**	Research and Development centre	Licensee	Messrs Heni Chemical Industries	Monthly license fees from February 1, 2016: - ₹ 1,40,000/- Monthly License Fees from January 1, 2017: ₹ 1,47,000/- Monthly License Fees from December 1, 2017: ₹ 1,54,000/- Security Deposit – ₹ 16,00,000/-	33 months from February 1, 2016.
7.	Building comprising of Ground Floor, First Floor and Second Floor with open terrace situated at A-135, Road No. 23, Wagle Industrial Estate,	Research and Development centre	Licensee	Rajasthan Mineral and Marble Private Limited	Monthly license fees – First 30 months – ₹1,25,000/- Remaining 30 months – ₹ 1,31,250/-	60 months from May 1, 2012

	Thane (West) admeasuring 7,300 square feet					
8.	Plot No. BT- 32 in the Additional Jalna Phase – II (B.T. Park) Industrial Area within the Village limits of Nagewadi and within the limits of Jalna Municipal Council, Taluka and registration Sub- District, Jalna admeasuring 117648 Square Meters	Asset held for Sale	Licensee	MIDC	##	95 (Ninety Five) years from August 30, 2007##
9.	13591 Yorba Avenue Chino, CA 91710*	Offices, Labs, Research and Development and Warehouse	Leasehold	Vasant Rathi	Monthly license fees - USD 4500	January 1, 2011 to December 31, 2016
10.	4880 Murrieta Street Chino, CA 91710*	Offices, Labs, Research and Development and Warehouse	Leasehold	Rathi Property LLC	Monthly license fees - USD 11,097.49	January 1, 2011 to December 31, 2016

**Properties set-out at item nos.9 and 10 have been taken on lease basis by our step-down subsidiaries.*

*** Documents with respect to this property have not been duly registered.*

#For Further details, please refer to risk factor no. 33 appearing on page 31 in the section titled “Risk Factors” beginning on page 19.

For Further details, please refer to risk factor no. 34 appearing on page 31 in the section titled “Risk Factors” beginning on page 19.

Save and except as specified in the Risk Factors on page 19 of this RHP and the mortgages created in favour of our lenders, the aforesaid lands are free from encumbrances and that we do not require any approvals pertaining to the land on which our manufacturing facilities are located.

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice.

Our Company is engaged in the business of manufacturing and marketing of enzymes and enzyme related products. Our Company's business is governed by various central and state legislations that regulate the substantive and procedural aspects of the business. Our Company is required to obtain and regularly renew certain licenses/ registrations and / or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts and policies.

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by our Company:

A. INDUSTRY-SPECIFIC REGULATIONS

The Drugs and Cosmetics Act, 1940 ("DCA")

The DCA regulates the import, manufacture, distribution and sale of drugs and cosmetics in India as well as aspects relating to labelling, packing and testing. The DCA also provides the procedure for testing and licensing of new drugs. The DCA also prohibits the import of certain categories of drugs and cosmetics. It further mandates that every person holding a license must keep and maintain such records, registers and other documents as may be prescribed which may be subject to inspection by the relevant authorities. Under the DCA, the Government may, by notification in the official gazette, regulate or prohibit the manufacture, sale or distribution of a drug, if it is satisfied that in the public interest, it is necessary or expedient to do so or that the use of such drug is likely to involve any risk to human beings or animals or that it does not have the therapeutic value claimed or purported to be claimed for it or contains ingredients and in such quantity for which there is no therapeutic justification. Penalties in terms of fine and imprisonment are prescribed under the DCA for contravention of its provisions.

The DCA prohibits *inter-alia* the manufacture and sale of (i) drugs and cosmetics which are not of standard quality or are misbranded, adulterated or spurious (ii) any patent or proprietary medicine, unless the true formula or list of active ingredients is displayed in the prescribed manner on the label, together with the quantities thereof (iii) any drug which by means of any statement, design or device accompanying it or by any other means, purports or claims to prevent, cure or mitigate any such disease or ailment, or to have any such other effect as may be prescribed (iv) any cosmetic containing any ingredient which may render it unsafe or harmful for use under the directions indicated or recommended. It further prohibits *inter-alia* the exhibition, offer for sale, distribution or sale of any drug or cosmetic which has been imported or manufactured in contravention of any of the provisions of DCA or any rule made there under.

The Drugs and Cosmetics Rules, 1945

The Drugs and Cosmetics Rules, 1945 (the "**DCA Rules**") have been enacted to give effect to the provisions of the DCA Act to regulate the, manufacture, distribution and sale of drugs and cosmetics in India. The DCA Rules prescribe the procedure for submission of report to the Central Drugs Laboratory, of samples of drugs for analysis or test, the forms of Central Drugs Laboratory's reports thereon and the fees payable in respect of such reports. The DCA Rules also prescribe the drugs or classes of drugs or cosmetics or classes of cosmetics for the import of which a licence is required, and prescribe the form and conditions of such licence. Further, the DCA Rules provide for the cancellation or suspension of such licence in any case where any provisions or rule applicable to the import of drugs and cosmetic is contravened or any of the conditions subject to which the licence is issued is not complied with. The DCA Rules further prescribe the manner of labelling and packaging of drugs.

DCA Rules provide for grant of a certificate of Good Manufacturing Practices ("**GMP**"). The GMP provides for general requirements for, including but not limited to, location and surroundings of the factory building, maintenance of water systems, waste disposal mechanisms, warehousing, sanitation in manufacturing premises, health, clothing and sanitation of workers etc.

The Drugs (Control) Act, 1950 (“DC Act”)

The DC Act was enacted to provide for the control of sale, supply and distribution of drugs. The DC Act empowers the Central Government to inter alia declare any drug to be a drug to which this act shall apply and to fix maximum prices and maximum quantities thereof, which may be held or sold, by a dealer or producer. The DC Act also provides for penalties arising due to contraventions of any of the provisions of this Act or of any direction made under authority conferred by this Act, which shall be punishable with imprisonment for a term which may extend to three years, or with fine, or with both.

The Drugs (Prices Control) Order, 2013 (“DPCO, 2013”)

In May 2013, the Central Government in exercise of its powers under the Essential Commodities Act, 1955 issued the Drugs Prices (Control) Order, 2013 which will replace the Drugs Prices (Control) Order, 1995. The NPPA will be the implementation authority for the new Drug Prices (Control) Order, 2013.

The DPCO is passed under section 3 of the ECA and is to be read with the DCA. The DPCO, inter alia, provides the list of price controlled drugs, procedures for fixing the prices of drugs, method of implementation of prices fixed by Government and penalties for contravention of provisions and formulations which fall within the purview of the legislation.

The DPCO provides for the formulae for calculation of ceiling prices and retail prices of drug formulation and there are penal provisions for violation of any rules and regulations under the ECA. As per section 7 of the ECA, the penalty for contravention of the DPCO is minimum imprisonment of 3 (three) months, which may extend to seven years and the violator is also liable to pay a fine.

The DPCO provides that the Government may, in extraordinary circumstances, if it considers necessary to do so in the light of public interest, fix the ceiling price or retail price of any drug for such period as it may consider fit, and where the ceiling price or retail price is already fixed and notified, it may allow an increase or decrease in the ceiling price or the retail price as the case may be, irrespective of the annual wholesale price index for that year.

Under the provisions of the DPCO, every manufacturer of a schedule formulation intended for sale shall display in indelible print mark, on the label of container of the formulation and the minimum pack thereof offered for retail sale, the maximum retail price of that formulation based on the ceiling price notified in the Official Gazette or ordered by the Government in this behalf with the words "Maximum Retail Price" preceding it and the words 'inclusive of all taxes' succeeding it.

The provisions of this order do not apply to a manufacturer producing a new drug patented under the Indian Patent Act, 1970 (product patent) and not produced elsewhere, if developed through indigenous Research and Development, for a period of five years from the date of commencement of its commercial production in the country or a manufacturer producing a new drug in the country by a new process developed through indigenous Research and Development and patented under the Indian Patent Act, 1970 for a period of five years from the date of the commencement of its commercial production in the country or a manufacturer producing a new drug involving a new delivery system developed through indigenous Research and Development for a period of five years from the date of its market approval in India.

Shops and Establishment Act

1. Under various State laws dealing with shops and establishments, any shop or commercial establishment has to obtain a certificate of registration from the supervising inspector and also has to comply with certain rules laid down in the act governing that particular State. These rules and regulations regulate the opening and closing hours of shops and commercial establishments, daily and weekly work hours, closing dates and holidays, health and safety of persons working in shops and commercial establishments, payment of wages and maintenance of records and registers by the employers, among others.

The Factories Act, 1948

The Factories Act regulates occupational safety, health and welfare of workers of the industries, in which 10 or more workers are employed on any day of the preceding 12 months and are engaged in the manufacturing process being carried out with the aid of power. The ambit of the Factories Act includes provisions as to the approval of factory building plans

before construction or extension, investigation of complaints, maintenance of registers and the submission of yearly and half-yearly returns.

In addition to the Factories Act, the employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following is an indicative list of labour laws which may be applicable to our Company due to the nature of our business activities:

- Contract Labour (Regulation and Abolition) Act, 1970;
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- Employees' State Insurance Act, 1948;
- Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
- Minimum Wages Act, 1948;
- Payment of Bonus Act, 1965;
- Payment of Gratuity Act, 1972;
- Payment of Wages Act, 1936;
- Maternity Benefit Act, 1961;
- Industrial Disputes Act, 1947; and
- Employees' Compensation Act, 1923.

In addition, there are certain state specific labour laws which also need to be complied with by Indian Companies.

Legal Metrology Act, 2009

The Legal Metrology Act, 2009 (“**L.M. Act**”) governs the standards/units/denominations used for weights and measures as well as for goods which are sold or distributed by weight, measure or number. It also states that any transaction/contract relating to goods/class of goods shall be as per the weight/measurement/numbers prescribed by the L.M. Act. Moreover, the L.M. Act prohibits any person from quoting any price, issuing a price list, cash memo or other document, in relation to goods or things, otherwise than in accordance with the provisions of the L.M. Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in the Rules made by each State. The Act also provides for Legal Metrology (General) Rules, 2011, which may be followed for due compliance, if the respective State does not provide for Rules in this regard.

The Food Safety and Standards Act, 2006 (“FSSA”)

The FSSA was enacted on August 23, 2006 with a view to consolidating the laws relating to food and to establish the Food Safety and Standards Authority of India (“Food Authority”), for laying down science based standards for articles of food and to regulate their manufacture, storage, distribution, sale and import, to ensure availability of safe and wholesome food for human consumption. The Food Authority is required to provide scientific advice and technical support to the Government of India and the state governments in framing the policy and rules relating to food safety and nutrition. The FSSA also sets out requirements for licensing and registration of food businesses, general principles of food safety, and responsibilities of the food business operator and liability of manufacturers and sellers, and adjudication by ‘Food Safety Appellate Tribunal’. In exercise of powers under the FSSA, the Food Authority has framed the Food Safety and Standards Rules, 2011 (“FSSR”) which have been operative since August 5, 2011. The FSSR provides the procedure for registration and licensing process for food business and lays down detailed standards for various food products. The FSSR also sets out the enforcement structure of ‘commissioner of food safety’, ‘food safety officer’ and ‘food analyst’ and procedures of taking extracts, seizure, sampling and analysis. The FSSA provides for the Food Authority to be aided by several scientific panels and a central advisory committee to lay down standards for food safety. The standards will include specifications for ingredients, limit of quantities of contaminants, tolerance limits of pesticide drugs residue, biological hazards and labels. The Food Authority has also framed the following food safety and standards regulations in relation to various food products and additives:

- Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011;
- Food Safety and Standards (Packaging and Labelling) Regulations, 2011;
- Food Safety and Standards (Food Product Standards and Food Additives) Regulations, 2011;
- Food Safety and Standards (Prohibition and Restriction on Sales) Regulations, 2011;

- Food Safety and Standards (Contaminates, Toxins and Residues) Regulations, 2011; and
- Food Safety and Standards (Laboratory and Sampling Analysis) Regulations, 2011.

The Indian Boilers Act, 1923 (“Boiler Act”)

Under the provisions of the Boilers Act, an owner of a boiler is required to get the boiler registered and certified for its use. The Boilers Act also provide for penalties for illegal use of boilers.

The Petroleum Act, 1934

The Petroleum Act, 1934 was passed to consolidate and amend the laws relating to the import, transport, storage, production, refining and blending of petroleum. Under the Petroleum Rules, 2002, any person intending to store furnace oil/petroleum, of such class and in such quantities, otherwise than under a license shall take the approval of the Chief Controller before commencing storage.

Special Economic Zones Act, 2005 (the —SEZA)

The SEZA was enacted for the purpose of generation of additional economic activity, goods and services, promotion of investment from domestic and foreign sources, creation of employment opportunities and development of infrastructure facilities. Under the SEZA, any goods or services exported out or imported in or procured from the Domestic Tariff area by a unit or a developer shall be exempt from taxes, duties or cess subject to prescribed terms and conditions. Also certain exemptions, drawbacks and concession are allowed to every Developer and entrepreneur. The approval to establish a special economic zone is obtained from the respective State Government. The State Government forwards the proposal with its recommendations to the Board of Approval which shall take all decisions by way of consensus.

The Special Economic Zones Rules, 2006

The Special Economic Zones Rules, 2006 (—the SEZ Rules|]) provide for a detailed procedure with regard to the manner in which a Special Economic Zone or a Unit is to be set-up. The SEZ Rules prescribe the procedure for establishment of a unit in a Special Economic Zone. The Rules also lays down the terms and conditions subject to which exemptions, drawbacks and concessions will be granted to entrepreneurs and developers and other miscellaneous provisions.

The Payment of Wages Act, 1936

The Payment of Wages Act applies to persons employed in factories and industrial or other establishments where the monthly wages payable are less than ₹ 10,000. It requires the persons responsible for payment of wages to maintain certain registers and display of the abstracts of the rules made thereunder.

The Minimum Wages Act, 1948

The Minimum Wages Act provides for minimum wages in certain employments. The central and the state governments stipulate the scheduled employment and fix minimum wages, calculated based on the basic requirement of food, clothing, housing required by an average Indian adult.

Maharashtra Minimum Wages Rules, 1963

Maharashtra Minimum Wages Rules, 1963 (“MWA Rules”) was enacted to establish minimum wages for certain categories of employees. The MWA Rules require that wages should be fixed of the employee not exceeding 1 (one) month. The employer is required to make payment of wages to a worker on termination of his employment. The employer is required to give notices containing the minimum rates of wages and the name and address of the Inspector. The employer is required to pay extra wages for the overtime, maintain a register of wages and an inspection book.

The Payment of Bonus Act, 1965

The Payment of Bonus Act provides for payment of the minimum bonus to factory employees and every other establishment in which 20 or more persons are employed during an accounting year and requires the maintenance of

certain books and registers and filing of monthly returns showing computation of allocable surplus, the set on and set off of allocable surplus and details of bonus due to the employees.

Equal Remuneration Act, 1979

Equal Remuneration Act, 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”) provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to ₹ 50,000/-.

Child Labour (Prohibition and Regulation) Act, 1986

The Child Labour (Prohibition and Regulation) Act, 1986 (the “CLPR Act”) seeks to prohibit the engagement of children in certain employments and to regulate the conditions of work of children in certain other employments. It also prescribes hours and periods of work, holidays, the requirement of keeping a register, etc for the establishments falling under this act. A shop or a commercial establishment is included under the definition of an “establishment” according to Section 2(iv).

Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957

Industrial Dispute Act, 1947 and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The Industrial Disputes Act, 1947 (“IDA”) was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the IDA have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The IDA also sets out certain requirements in relation to the termination of the services of the workman. The IDA includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

The Employees State Insurance Act, 1948

The ESI Act applies to all establishments where 20 or more persons are employed are required to be registered with the Employees State Insurance Corporation. The ESI Act requires all employees of the factories and establishments to which it applies to be insured in the manner provided. Further, both employers and employees are required to make contribution to the ESI fund, of which returns are required to be filed with the ESI department.

The Contract Labour (Regulation and Abolition) Act, 1970 (the “CLRA”)

The CLRA regulates the employment, and protects the interests, of workers hired on the basis of individual contracts in certain establishments. In the event any activity is outsourced, and is carried out by Labourers hired on contractual basis,

compliance with the CLRA including registration will be necessary and the principal employer will be held liable in the event of default by the contractor to make requisite payments towards provident fund.

Indian Environmental Regulation

The three major statutes in India, which seek to regulate and protect the environment against pollution related activities in India are the Water(Prevention and Control of Pollution) Act, 1974 Act, the Air(Prevention and Control of Pollution) Act, 1981 Act, and the Environment Protection Act, 1986 (“**the EPA Act**”). The basic purpose of these statutes is to control, abate and prevent pollution. In order to achieve these objectives, the pollution control boards (the —PCBs||) which are vested with diverse powers to deal with water and air pollution, have been set up in each state. The PCBs are responsible for setting the standards for maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking investigations to ensure that industries are functioning in compliance with the standards prescribed. These authorities also have the power of search, seizure and investigation if the authorities are aware of or suspect pollution. All industries and factories are required to obtain consent orders from the PCBs, which are indicative of the fact that the factory or industry in question is functioning in compliance with the pollution control norms laid down. These are required to be renewed annually.

Additionally, the Water (Prevention and Control of Pollution) Cess Act, 1977 (“**Water Cess Act**”) requires a person carrying on any operation or process, or treatment and disposal system, which consumes water or gives rise to sewage effluent or trade effluent, other than a hydel power unit, to pay a cess in this regard. The cess to be paid is to be calculated on the basis of the amount of water consumed by such industry and the industrial purpose for which the water is consumed, as per the rates specified under the Water Cess Act.

The issue of management, storage, and disposal of hazardous waste is regulated by the Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 (“**the HWM Rules**”) made under the EPA Act. Under the HWM Rules, the PCBs are empowered to grant authorization for collection, treatment, storage and disposal of hazardous waste, either to the occupier or the operator of the facility. A similar regulatory framework is also established with respect to bio-medical waste under the Bio-Medical Waste (Management and Handling) Rules, 1998. In addition, the Ministry of Environment and Forests, GoI (“**the MoEF**”) looks into environment impact assessment (“**EIA**”). The MoEF receives proposals for expansion, modernization and setting up of projects, and the impact such projects would have on the environment is assessed by the MoEF before granting clearances for the proposed projects. Furthermore, the Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989 (“**the Hazardous Chemicals Rules**”) stipulate that an occupier in control of an industrial activity has to provide evidence for having identified the major accidental hazards and taking adequate steps to prevent major accidents and to limit their consequences to persons and the environment. The persons working on site have to be provided with information, training and equipments including antidotes necessary to ensure their safety.

The Public Liability Insurance Act, 1991 (“**the Public Liability Act**”) imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

Employees’ Provident Funds and Miscellaneous Provisions Act, 1952

Employees Provident Funds and Miscellaneous Provisions Act, 1952 (“EPFA”) was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPFA provides for the institution of provident funds and pension funds for employees in establishments where more than 20 persons are employed and factories specified in Schedule I of the EPFA. Under the EPFA, the Central Government has framed the “Employees Provident Fund Scheme”, “Employees Deposit-linked Insurance Scheme” and the “Employees Family Pension Scheme”. Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPFA also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1961 (“**the POG Act**”) provides for payment of gratuity to employees employed in factories, shops and establishments who have put in a continuous service of 5 years, in the event of their superannuation, retirement, resignation, death or disablement. The rule of ‘5 years continuous service’ is however relaxed in case of death or disablement of an employee. Gratuity is calculated at the rate of 15 days wages for every completed year of service with the employer. Under the POG Act, an employer is obliged for a maximum gratuity payout of ₹ 10,00,000/- for an employee. The POG Act also requires the employer to obtain and maintain an insurance policy for the employer’s obligation towards payment of gratuity.

Trade Union Act, 1926

The Trade Union Act, 1926 governs the disputes which arise/ may arise between employers and workmen or between workmen and workmen, or between employers and employers in connection to their employment, non-employment and the terms of employment or the conditions of labour. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

Intellectual Property Rights

Intellectual Property in India enjoys protection under both common law and statute. Under statute, India provides for the protection of patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 and trademark protection under the Trade Marks Act, 1999. The above enactments provide for protection of intellectual property by imposing civil and criminal liability for infringement. In addition to the above domestic legislations India is a party to several international treatise related to intellectual property including the Patent Co-operation Treaty, 1970, the Paris Convention for the Protection of Industrial Property, 1883, the International Convention for the Protection of Literary and Artistic Works signed at Berne in 1886 (the Universal Copyright Convention of 1952), the Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations 1961 and as a member of the World Trade Organisation is a signatory to the Agreement on Trade Related aspects of Intellectual Property Rights, 1995 (the TRIPS Agreement).

Biodiversity Act, 2002

The Biodiversity Act, 2002 is an act to preserve the biological resources in India. Under the Biodiversity Act, no person resident outside India or any company having foreign participation in the shareholding or management can utilize any of the biological resources (as defined under the BDA) for any commercial utilization without the consent/approval of the National Biodiversity Authority.

B. Tax Related Legislations

Value Added Tax, 2005

Value Added Tax (“**VAT**”) is charged on sale of goods in the States under the law enacted by each State in respect thereof. VAT is however, not chargeable on the value of services which do not involve a transfer of goods. VAT is a multi-point levy on each of the entities in the supply chain with the facility of setoff of input tax that is the tax paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. Only the value addition in the hands of each of the entities is subject to tax.

Income Tax Act, 1961

The Income Tax Act, 1961 (“**IT Act**”) is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. Every company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such company is also required to file its returns by October 31 of each assessment year.

Service Tax

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of ‘taxable services’, defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 6th of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the Company is required to file a quarterly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates. Every assessee is required to file the quarterly return electronically.

The Central Sales Tax Act, 1956

The Central Sales tax (“CST”) is levied on the sale of moveable goods within India in the course of inter-state trade or commerce and is governed by the provisions of the Central Sales Tax Act, 1956. If the goods move between states pursuant to a sale arrangement, then the taxability of such sale is determined by the CST. On the other hand, the taxability of a sale of movable goods within the jurisdiction of the State is determined as per the local sales tax/Value Added Tax legislation in place within such State.

Customs Act, 1962 and the Customs Tariff Act, 1975

The provisions of the Customs Act, 1962 and Rules made there under are applicable at the time of import of goods into India from a place outside India or at the time of export of goods out of India to a place outside India. The Customs Tariff Act, 1975 provides the rates at which duties of customs will be levied under the Customs Act, 1962.

Any Company requiring to import or export any goods is required to get itself registered and obtain an Importer Exporter Code (IEC) number.

Excise-Related Regulations

Excise duty imposes a liability on a manufacturer to pay excise duty on production or manufacture of goods in India. The **Central Excise Act, 1944** is the principal legislation in this respect, which provides for the levy and collection of excise and requires every person who produces, manufactures, carries on trade, holds private store-room or warehouse or otherwise uses excisable goods, to obtain registration thereunder. Additionally, the **Central Excise Tariff Act, 1985** prescribes the rates of excise duties for various goods. The **Central Excise Rules, 2002** provides the manner of payment of the central excise duty as well as the rebate and remission provisions.

For details of the Company’s material registrations under the applicable the tax legislations, please refer to the chapter titled “Government and Other Statutory Approvals” beginning on page 351 of this RHP.

Professional Tax

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority. The Maharashtra State Tax on Profession, Trades, Callings and Employments Act, 1975 is applicable to the Company.

C. OTHER REGULATIONS

The Registration Act, 1908

The Registration Act, 1908 (“**Registration Act**”) was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

The Indian Stamp Act, 1899

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 (“**Stamp Act**”) which is enacted by the Central Government. All other instruments are required to be stamped, as per the rates prescribed by the respective State Governments. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one state to another. Certain states in India have enacted their own legislation in relation to stamp duty while the other states have adopted and amended the Stamp Act, as per the rates applicable in the state. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act.

Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from state to state. The Maharashtra Stamp Act, 1958 and the Gujarat Stamp Act, 1958 are applicable to the Company.

The Indian Contract Act, 1872

The Indian Contract Act, 1872 (“**Contract Act**”) codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

The Specific Relief Act, 1963

The Specific Relief Act, 1963 (“**Specific Relief Act**”) is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Specific Relief Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. ‘Specific performance’ means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

Consumer Protection Act, 1986

The Consumer Protection Act, 1986 seeks to provide better protection of interests of the consumers and for that purpose to make provision for establishment of consumer councils and other authorities for the settlement of consumer’s disputes and for matters connected therewith. It seeks to promote and protect the rights of consumers.

To provide steady and simple redressal to consumers’ disputes, a quasi-judicial machinery is sought to be set up at the district, state and central levels. The quasi-judicial bodies will observe the principles of natural justices and have been empowered to give relieves of a specific nature and to award wherever appropriate compensation to consumers. Penalties for non-compliance of the orders given by the quasi-judicial bodies have also been provided.

Competition Act, 2002

The Competition Act, 2002 (“**Competition Act**”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“**Competition Commission**”) which became operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

The Companies Act, 1956

The Companies Act, 1956 deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Act primarily regulates the formation, financing, functioning and winding up of companies. The Companies Act, 1956 prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act, 1956 plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

The Companies Act, 2013

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs (“MCA”) has vide its notification dated September 12, 2013 has notified 98 Sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. A further 108 Sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The MCA has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

The Trademarks Act, 1999

Under the Trademarks Act, 1999 (“**Trademarks Act**”), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks (“**the Registrar**”), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee. The Trademark (Amendment) Act, 2010 has been enacted by the GoI to amend the Trademark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries, and to empower the Registrar of Trademarks to do so. It also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to bring the law generally in line with international practice.

Patents Act, 1970

The Patents Act, 1970 ("**Patents Act**") governs the patent regime in India and recognises process patents as well as product patents. The form and manner of application for patents is set out under Chapter III and Chapter VIII deals with the grant of patents. Patents obtained in India are valid for a period of 20 years from the date of filing the application. The Patents Act also provides for grant of compulsory license on patents after expiry of three years of its grant in certain circumstances such as reasonable requirements of the public, non-availability of patented invention to public at affordable price or failure to work the patented invention.

The Copyright Act, 1957

The Copyright Act, 1957 ("**Copyright Act**") grants protection to the authors of literary, artistic, dramatic, musical, photographic, cinematographic or sound recording works from unauthorized uses. Various rights including ownership and economic rights are conferred on the author. These include the right to reproduce the work in any form, issue copies to the public, perform it, and offer for sale and hire. The penalty for general infringement of copyright is imprisonment of maximum 3 (three) years and a fine of upto ₹ 2,00,000/-.

Foreign Trade (Development and Regulation) Act, 1992 ("FTA")

In India, the main legislation concerning foreign trade is FTA. The FTA read along with relevant rules provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the Act, the Government:- (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import ("EXIM") Policy. FTA read with the Indian Foreign Trade Policy provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An Importer Exporter Code number allotted to an applicant is valid for all its branches/ divisions/ units/factories.

D. REGULATIONS RELATING TO FOREIGN INVESTMENT

Foreign Exchange Management Act, 1999

Foreign investment in companies in the industry in which the Company operates is governed by the provisions of the Foreign Exchange Management Act, 1999 ("**FEMA**") read with the applicable regulations. The Department of Industrial Policy and Promotion ("**DIPP**"), Ministry of Commerce and Industry has issued 'Consolidated FDI circular of 2016' (the "**FDI Policy**") which consolidates the policy framework on FDI, with effect from June 7, 2016. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till June 6, 2016. All the press notes, press releases, clarifications on FDI issued by DIPP till June 6, 2016 stand rescinded as on June 7, 2016. Further, the DIPP has issued Press Note No.5 (2016 Series) on June 24, 2016 ("**Press Note 5**") inter-alia amending the FDI Circular vis-à-vis FDI in the pharmaceuticals sector, amongst others.

Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. Under the approval route, prior approval of the Government of India through FIPB is required. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the FIPB, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases where FIPB approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company. The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India.

In terms of the FDI Circular issued by the DIPP read with the aforesaid Press Note 5, foreign investments in the sector in which the Company operates is permitted upto 100% under the automatic route for greenfield investments and upto 74% under the automatic route for brownfield investments (investments in existing companies). Brownfield investments beyond 74% would require government approval. Further, the Government of India may incorporate appropriate conditions for FDI in brownfield cases at the time of granting approval.

RBI has also issued Master Circular on Foreign Investment in India dated July 01, 2015. In terms of the Master Circular, an Indian company may issue fresh shares to persons resident outside India (who are eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. As mentioned above, the Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated, as a private limited company on March 15, 1989 under the provisions of the Companies Act, 1956 as Advanced Biochemicals Private Limited in Maharashtra. Pursuant to a special resolution passed by the shareholders of our Company at the extra-ordinary general meeting held on April 21, 1992, our Company was converted into a public limited company and consequently the name of our Company was changed to Advanced Biochemicals Limited. A fresh certificate of incorporation reflecting the new name was issued by the Registrar of Companies, Maharashtra on May 28, 1992. Pursuant to a special resolution passed by the shareholders of our Company at the extra-ordinary general meeting held on August 8, 2005, the name of our Company was further changed from Advanced Biochemicals Limited to Advanced Enzyme Technologies Limited. A fresh certificate of incorporation reflecting the new name was issued by the Registrar of Companies, Maharashtra, Mumbai on August 19, 2005.

Corporate profile of our Company

For information on our Company's business profile, activities, services, managerial competence, and customers, see chapters titled "Our Management", "Our Business" and "Industry Overview" beginning on pages 198, 152 and 130, respectively.

Changes in the Registered Office

Date	Details of registered office	Reason for change
At Incorporation	106, Dhanlaxmi Industrial Estate, LBS Marg, Thane (West), Maharashtra.	-
October 3, 2006	Sun Magnetica, 5th Floor, Near LIC Service Road, Louis Wadi, Thane, Maharashtra.	Administrative convenience

Major events in the History of our Company:

Year	Milestone
1989	Incorporation as Advanced Biochemicals Private Limited.
1992	Conversion from private company into a public company and renamed as Advanced Biochemicals Limited.
1994	Commissioning of our first fermentation facility at Sinnar, Maharashtra
2001	Recognition of in-house R&D centers of the Company at Thane and Sinnar by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India.
2005	Change of name of the Company from Advanced Biochemicals Limited to Advanced Enzyme Technologies Limited.
2011	Takeover of Cal-India Foods International (Specialty Enzymes and Biotechnologies) by our Company giving us direct presence in USA.
2012	Kotak India Venture Fund I, Kotak Employees Investment Trust and Kotak India Venture (Offshore) Fund made an investment in the Company.
2012	Takeover of AST Enzymes by our Company for consolidating our presence in USA.

Awards and accreditations received by our Company

Year	Award/Accreditation
2010	The Company won the "Emerging India Awards" for 2010 in the Life Science -Pharmaceuticals & Chemicals segment organized by ICICI Business Banking and CNBC TV18.
2010	The Company won the Bio Excellence Award in the Industrial Biotech category for 2010 instituted by Department of Information Technology, Biotechnology and Science and Technology, Government of Karnataka.
2012	Our Company was awarded as the 1st runner-up for the Most Innovative Exporter – Dun &

	Bradstreet for the year 2012.
2013	Our Company was one of the Recipients of the fastest growing mid-sized business award organized by Inc. India.
2014	The Company received the Bio Excellence Award in the Industrial Biotech category for year 2014 instituted by Department of Information Technology, Biotechnology and Science and Technology, Government of Karnataka.

Amendments to our Memorandum of Association

Since incorporation, the following changes have been incorporated in our Memorandum of Association of our Company, after approval of our members:

Sr. No.	Particulars of changes in the Memorandum of Association of the Company	Date of Shareholders' meeting	AGM/ EGM
1.	Increase in authorized share capital from ₹ 2,00,000 divided into 2,000 Equity Shares of ₹ 100/- each to ₹ 25,00,000/- divided into 25,000 Equity Shares of ₹ 100/- each.	July 15, 1991	EGM
2.	Increase in authorized share capital from ₹ 25,00,000 divided into 25,000 Equity Shares of ₹ 100 each to ₹ 1,00,00,000 divided into 1,00,000 Equity Shares of ₹ 100/- each.	December 2, 1991	AGM
3.	Reorganization of authorized share capital from ₹ 1,00,00,000/- divided into 1,00,000 Equity Shares of ₹100/- each to ₹ 1,00,00,000/- divided into 10,00,000 Equity Shares of ₹ 10/- each.	April 21, 1992	EGM
4.	Increase in authorized share capital from ₹ 1,00,00,000/- divided into 10,00,000 Equity Shares of ₹ 10 each to ₹ 3,00,00,000 divided into 30,00,000 Equity Shares of ₹ 10/- each.	April 21, 1992	EGM
5.	Conversion of Company from Private Limited to Public Limited and consequent change in name from Advanced Biochemicals Private Limited to Advanced Biochemicals Limited and change of minimum paid-up capital to ₹ 5,00,000/-	April 21, 1992	EGM
6.	Increase in authorized share capital from ₹ 3,00,00,000/- divided into 30,00,000 Equity Shares of ₹ 10/- each to ₹ 4,00,00,000/- divided into 40,00,000 Equity Shares of ₹ 10/- each.	September 24, 1993	AGM
7.	Increase in authorized share capital from ₹ 4,00,00,000 divided into 40,00,000 Equity Shares of ₹ 10/- each to ₹ 6,00,00,000/- divided into 60,00,000 Equity Shares of ₹ 10/- each.	October 31, 1994	EGM
8.	Increase in authorized share capital from ₹ 6,00,00,000 divided into 60,00,000 Equity Shares of ₹ 10 each to ₹ 8,00,00,000/- divided into 60,00,000 Equity Shares of ₹ 10/- each and 2,00,000 Preference Shares of ₹ 100/- each.	February 25, 2000	EGM
9.	Increase in authorized share capital from ₹ 8,00,00,000 divided into 60,00,000 Equity Shares of ₹ 10 each and 2,00,000 Preference Shares of ₹ 100 each to ₹ 90,00,00,000/- divided into 6,00,00,000 Equity Shares of ₹ 10/- each and 300,000 Preference Shares of ₹ 100/- each.	January 12, 2001	EGM

10.	Name of the Company was changed from Advanced Biochemicals Limited to its present name, Advanced Enzyme Technologies Limited.	August 8, 2005	EGM
11.	Reclassification of the authorized share capital from 6,000,000 Equity Shares of ₹ 10/- each and 300,000 Preference Shares of ₹ 100/- each to 9,000,000 Equity Shares of ₹ 10/- each.	March 15, 2007	EGM
12.	Increase in authorized share capital from ₹ 9,00,00,000/- divided into 90,00,000 Equity Shares of ₹ 10 each to ₹ 15,00,00,000/- divided into 1,50,00,000 Equity Shares of ₹ 10 each.	March 15, 2007	EGM
13.	Increase in authorized share capital from ₹ 15,00,00,000 divided into 1,50,00,000 Equity Shares of ₹ 10/- each to ₹ 35,00,00,000/- divided into 3,50,00,000 Equity Shares of ₹ 10/- each.	March 5, 2010	EGM

Acquisition of Businesses / Undertakings

The Company has not made any acquisition of businesses / undertakings other than the following: -

- (i) The Company had acquired the business of Messrs Super Organic Research Laboratories (“**SORL**”) in the year 1994 against the issue of Equity shares worth ₹ 20,84,000/- (Rupees Twenty Lacs Eighty four Thousand only) were issued to the partners of *erstwhile* SORL, against its book value of ₹ 2,086, 796/ (Rupees Twenty Lacs Eighty Six Thousand Seven Hundred and Ninety Six only). The balance amount of book value being ₹ 2,720/- (Rupees Two Thousand Seven Hundred and Twenty only) was settled in cash;
- (ii) By a Stock Purchase Agreement dated April 4, 2011, Advanced Enzymes USA, a wholly-owned subsidiary of the Company, has acquired all the outstanding stock of Cal-India from Mr. Vasant Laxminarayan Rathi, and certain members of our promoter group, namely Ms. Rachana Rathi, Ms. Rasika Rathi and Ms. Reshma Rathi for a consideration of USD 31.98 million, out of which USD 3 million was payable in cash and balance USD 28.98 million was payable by way of Purchaser Notes dated April 4, 2011. These purchaser notes were repaid by Advanced Enzymes USA by borrowing USD 3 million from our Group Company, Rathi Property LLC and USD 17 million from our Promoter, Mr. Vasant Laxminarayan Rathi (“**Lenders**”), aggregating to USD 20 million, for which it issued promissory notes dated December 13, 2012 to the Lenders. The valuation opinion (“**Valuation Opinion**”) for Cal-India was provided by an independent third party US-based valuation advisory firm, which prepared an analysis of the fair market value of the common stock of Cal-India, on a 100 percent controlling interest basis, as on December 7, 2010. It may be noted that the fair market value was calculated as the price at which the common stock of Cal-India, would change hands between a willing buyer and a willing seller, and neither being under any compulsion to buy or sell, and both having reasonable knowledge of all relevant facts, in accordance with IRS Revenue Ruling 59 - 60. For preparing the Valuation Opinion, the firm performed the customary due diligence exercise, and made such reviews, analysis and enquiries, as deemed necessary and appropriate, including but not limited to review of financial statements of Cal-India and senior management discussions. Further, Advanced Enzymes USA has also pledged its shares in Cal-India and AST Enzymes with the Lenders as security for repayment of the aforesaid loans under the said Promissory Notes and the Addendum executed in March, 2014, respectively; and
- (iii) By a Stock Purchase Agreement dated October 31, 2012, Advanced Enzymes USA, a wholly-owned subsidiary of the Company, has also acquired AST Enzymes from Mr. Vasant Laxminarayan Rathi, Ms. Rachana Rathi, Ms. Rasika Rathi and Ms. Reshma Rathi, by paying a consideration of USD 3.1 Million of which USD 2 Million was payable in cash and balance USD 1.1 Million by way of Purchaser Notes. The cash amounts and the Purchaser Notes were allocated to the Sellers in proportion to the shares held by them in AST Enzymes.

Details of Merger/Amalgamation

There has been no merger/amalgamation pertaining to our Company.

Injunctions or Restraining Orders

Our Company is not operating under any injunction or restraining order.

Time and cost over-runs in setting up projects and certain other adverse remarks

- (i) As on the date of this RHP, there have been no time and cost overruns in any of the projects undertaken by our Company other than during the setting up of our manufacturing plant at Plot No. B-5 to 13, Dhar, Special Economic Zone, Pithampur, Indore, Madhya Pradesh. Our Company had scheduled to finish the construction of the Indore manufacturing facility and commence commercial operations by July, 2011; However, due to logistical backlogs, the plant commenced in September, 2012. Our Company also incurred minor cost over-run on account of the delay of about ₹ 28.5 million; and
- (ii) In the year 2006, an order dated June 2, 2006 was passed against our Company by the Deputy Commissioner, Nashik Division (Food and Drugs Administration Department) for contravention of the provisions of Drugs and Cosmetic Act, 1940 pursuant to which the drug licence for our manufacturing plant at Sinnar was suspended for a period of 15 days from June 26, 2006 to July 10, 2006. The aforesaid order of suspension was issued to our Company inter-alia on the grounds that our Company had contravened provisions of Rule 78(a)(i), Rule 78(b) and Rule 78(p) of the Drugs and Cosmetics Rules, 1945 (“**the Rules**”) made under the Drugs and Cosmetics Act, 1940 read with Part I and Part I-F of Schedule M prescribed under the Rules. The violations inter-alia pertained to (i) maintenance of the factory building in proper condition; (ii) provision of dedicated facilities to avoid cross-contamination; (iii) provision of adequate air conditioning in the storage areas; (iv) maintenance of a system for testing of water used in the production process; (v) storage of certain items without labeling the same; (vi) provision of air-lock facility in the formulation process etc. Further, in the year 2011, another order dated February 8, 2011 was passed by the same authority suspending the aforesaid licence for a period of 3 (three) days from March 9, 2011 to March 11, 2011. The aforesaid order of suspension was issued to our Company for violation of the Drugs and Cosmetics Rules, 1945 inter alia on the following grounds (i) failure to obtain the requisite license under the applicable laws relating to prevention of food adulteration and drugs & cosmetics for production of certain varieties of premix; (ii) failure to maintain control samples of the premix manufactured by the Company; (iii) provision of the premix to a third party without testing the same; and (iv) failure to follow good manufacturing practices. Due to such suspension, our Company’s operations in the aforesaid unit had to be halted. For further details, please refer to the chapter titled “Outstanding Litigations and Material Developments” beginning on page 340 of this RHP.

Fund raising through equity or debt

Our Company has not undertaken any public offering of debt instruments since its inception. For details in relation to our fund raising activities through equity and debt, please refer to the chapters titled “Capital Structure” and “Financial Indebtedness” beginning on pages 82 and 337, respectively of this RHP.

Revaluation of assets

Our Company has not revalued its assets since its incorporation.

Defaults or Rescheduling of Borrowings with Financial Institutions/Banks

Our Company is not in default or in the process of rescheduling in respect of any borrowings with financial institutions/banks. None of our loans have been converted into equity shares.

Strikes, Lock-outs or Labour Unrest in the Company

There have been no strikes, lock-outs or labour unrest since incorporation of our Company.

Changes in the activities of the Company during the last five years

There has been no change in the activities of our Company during the period of 5 (five) years prior to the date of filing of this RHP which may have had a material effect on the profits or loss of our Company or affected our business including discontinuance of lines of business, loss of agencies or markets and similar factors.

Technology, market competence and capacity build-up

For details on the technology, market competence and capacity build-up of our Company, please see the chapter titled “Our Business” beginning on page 152 of this RHP.

Other details regarding our Company

For details regarding the capacities/facilities of our Company, location of plants and research and development facilities, products, marketing and competition, please see the chapters titled “Industry Overview” and “Our Business” beginning on pages 130 and 152, respectively of this RHP.

Our Company had previously filed a draft red herring prospectus dated March 28, 2013 with SEBI in relation to a proposed initial public offering of equity shares and had received the final observations from SEBI on September 12, 2013. However, our Company did not proceed with the aforesaid initial public offering of equity shares at that point of time after receiving SEBI approval.

Number of Shareholders/Members

As on July 8, 2016, the total number of holders of our Equity Shares was 466.

Our Main Objects:

The main objects of our Company as stated in the Memorandum of Association are:

1. To carry on business as dealers, processors, manufacturers of Biochemicals such as enzymes, diagnostic agents, growth hormones, preparations of enzymes, life-saving drugs, medicines, fine chemicals, agro chemicals, pharmaceutical.
2. To carry on business as dealers, manufacturers, agents, processors of enzymatic preparations for edible & non – edible uses.

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently carried out and the objects of the present Offer are in accordance with our Memorandum of Association.

Joint Venture and Other Agreements

As on the date of filing this RHP, there is no existing joint venture or other material agreements entered into by our Company which are not in its ordinary course of business.

Shareholders Agreement

Our Company, its Promoters and others have entered into a Share Subscription and Shareholders Agreement dated June 22, 2012 (“SSHA”) with Kotak India Venture Fund I (“Investor I”), Kotak Employees Investment Trust (“Investor II”) and Kotak India Venture (Offshore) Fund (“Investor III”) for the purpose of allotment of Equity Shares of the Company to Investor I, Investor II and Investor III on terms and conditions mentioned in the Agreement.

In terms of the SSHA and the Amendment Letter dated January 7, 2016 entered into between the parties to the SSHA, the Investor I shall be entitled to appoint its nominee on the Board of the Company (which is presently, Mr. Kunisetty Venkata Ramakrishna) and his affirmative vote is required for the Board to pass any resolutions dealing with, *inter-alia*, modification of Memorandum/Articles of the Company, altering rights of the Investor I, Investor II and Investor III, materially changing the capital structure of the Company/its Subsidiaries, infusion of fresh equity capital in the Subsidiaries, liquidate/dispose off all or substantial assets of the Company/Subsidiaries, creating or taking on record any

charge/encumbrance on the Equity Shares of the Company. Further, in terms of the SSHA, the SSHA shall terminate on successful completion of this Offer.

Other Agreements

There are no material agreements or contracts, which have been entered into by our Company within a period of two years prior to the date of this RHP, which are not in the ordinary course of business.

Strategic Partners

Our Company does not have any strategic partners as on date of this RHP.

Financial Partners

Our Company does not have any financial partners as on date of this RHP.

Our Holding Company

We do not have a holding company as on the date of this RHP.

SUBSIDIARIES

Our Company has 8 subsidiaries, the details of which are as follows:

1. Advanced Bio-Agro Tech Limited;
2. Advanced EnzyTech Solutions Limited;
3. Advanced Enzymes USA;
4. Advanced Supplementary Technologies Corporation (Subsidiary of Advanced Enzymes USA);
5. Cal-India Foods International (doing business as Specialty Enzymes and Biotechnologies) (Subsidiary of Advanced Enzymes USA);
6. Dynamic Enzymes, Inc. (Subsidiary of Advanced Enzymes USA);
7. Enzyfuel Innovation Inc. (Subsidiary of Advanced Enzymes USA); and
8. Enzyme Innovation, Inc. (Subsidiary of Cal-India Foods International, Step-down subsidiary of Advanced Enzymes USA).

1. Advanced Bio-Agro Tech Limited:

The company was initially incorporated as a private company on November 9, 2004 under the provisions of the Companies Act, 1956 as Advanced Bio-Agro Tech Private Limited having its registered office at 106, Dhanlakshmi Industrial Estate, Above Navneet Motors, Gokul Nagar, Thane (West) - 400 061. Pursuant to a Special Resolution passed at an Extra-Ordinary General Meeting held on December 11, 2004, it was resolved to convert the company from a private limited company to a public limited company and the name was changed to Advanced Bio-Agro Tech Limited (“**ABATL**”). With effect from April 28, 2009 the registered office of ABATL was shifted to Sun Magnetica, A- Wing, 5th Floor, LIC Service Road, Louiswadi, Naupada, Thane - 400 604. ABATL is *inter-alia*, carrying on the business as developer, provider of technology, manufacturer, processor, dealer of all kinds of agro bio chemicals and chemicals, biofertilisers, enzymes, diagnostic agents, growth hormones, composting, organic manures, crop saving drugs and medicines.

Capital Structure and Shareholding Pattern:

The authorised share capital of ABATL is ₹ 10,00,000/-.

As on the date of this RHP, the shareholding pattern of ABATL is as follows:

Sr. No	Name of the Shareholder	No. of Equity Shares	Percentage of total equity holding (%)
1.	Advanced Enzyme Technologies Limited	59,400	59.40%
2.	Om Prakash Singh	40,000	40.00%
3.	Advanced Enzyme Technologies Limited through the following nominees:		-
	i. Piyush Rathi	100	0.10%
	ii. Mukund Kabra	200	0.20%
	iii. Kishor Rathi	100	0.10%
	iv. Savita Chandrakant Rathi	100	0.10%
	v. Beni Prasad Rauka	100	0.10%
Total		1,00,000	100.00%

Interest of the Subsidiary in our Company

Except as stated in “Financial Statements- Annexure XXXII- Consolidated Statement of Related party disclosures, as restated” and “Financial Statements- Annexure XXX- Unconsolidated Statement of Related party disclosures, as restated” on pages 264 and 312, respectively, ABATL does not have any other interest in our Company’s business.

2. Advanced EnzyTech Solutions Limited:

Advanced EnzyTech Solutions Limited (“AESL”) was incorporated on September 1, 2008 as a public limited company under the Companies Act, 1956 with its registered office at Sun Magnetica, A- Wing, 5th Floor, LIC Service Road, Louiswadi, Naupada, Thane - 400604. The company is, *inter-alia*, carrying on the business as a manufacturer, formulator, processor, dealer, trader, importer of enzymes, biochemicals, chemicals, dyes and intermediates, auxiliaries, polymers, preparations of enzymes and other chemicals for application in textile, pulp and paper and other process industries and providing enzymatic and other solution to them including providing of solution to pollution related problems faced by the process industries by using the said products.

Capital Structure and Shareholding Pattern:

The authorised share capital of AESL is ₹ 10,00,000/-.

As on the date of this RHP, the shareholding pattern of AESL is as follows:

Sr. No	Name of the Shareholder	No. of Equity Shares	Percentage of total equity holding (%)
1.	Advanced Enzyme Technologies Limited	59,400	84.86%
2.	Advanced Enzyme Technologies Limited through the following nominees:	-	-
	i. Chandrakant Laxminarayan Rathi	100	0.14%
	ii. Savita Chandrakant Rathi	100	0.14%
	iii. Beni Prasad Rauka	100	0.14%
	iv. Piyush Rathi	100	0.14%
	v. Mukund Kabra	200	0.29%
	vi. Dipak Roda	10,000	14.29%
Total		70,000	100.00%

Interest of the Subsidiary in our Company

Except as stated in “Financial Statements- Annexure XXXII- Consolidated Statement of Related party disclosures, as restated” and “Financial Statements- Annexure XXX- Unconsolidated Statement of Related party disclosures, as restated” on pages 264 and 312, respectively, AESL does not have any other interest in our Company’s business.

3. Advanced Enzymes USA:

Advanced Enzymes USA was incorporated on November 1, 2010 under the laws of the State of California with its registered office at 13591 Yorba Avenue, Chino, California 91710. Advanced Enzymes USA is a wholly owned subsidiary of our Company solely for the purpose of controlling other companies. Advanced Enzymes USA has interests in four California corporations, two of which are currently operating for profit and two of which are newly-formed and not generating substantial income.

Capital Structure and Shareholding Pattern:

Advanced Enzymes USA is authorised to issue 1,000,000 shares of common stock. As on the date of this RHP, the entire shareholding of Advanced Enzymes USA is held by our Company which holds 5,839 shares in the common stock.

Interest of the Subsidiary in our Company

Except as stated in “Financial Statements- Annexure XXXII- Consolidated Statement of Related party disclosures, as restated” and “Financial Statements- Annexure XXX- Unconsolidated Statement of Related party disclosures, as restated” on pages 264 and 312, respectively, Advanced Enzymes USA does not have any other interest in our Company’s business.

4. Advanced Supplementary Technologies Corporation

AST Enzymes was incorporated on December 30, 2010 under the laws of the State of California, USA with its registered office at 13591 Yorba Avenue, Chino, California 91710. AST Enzymes is *inter-alia*, offering healthcare professionals and consumers a natural therapeutic alternative for preventative care and health using high quality systematic and digestive enzyme supplements.

Capital Structure and Shareholding Pattern:

AST Enzymes is authorised to issue 1,000,000 shares of common stock. As on the date of this RHP, the entire shareholding of AST Enzymes is held by Advanced Enzymes USA which holds 1,000 shares of common stock of the company.

Interest of the Subsidiary in our Company

Except as stated in “Financial Statements- Annexure XXXII- Consolidated Statement of Related party disclosures, as restated” and “Financial Statements- Annexure XXX- Unconsolidated Statement of Related party disclosures, as restated” on pages 264 and 312, respectively, AST Enzymes does not have any other interest in our Company’s business.

5. Cal-India Foods International (doing business as Specialty Enzymes and Biotechnologies):

Cal-India was incorporated on March 25, 1985 under the laws of the State of California with its registered office at 13591 Yorba Avenue., Chino, California 91710. Cal-India, *inter alia*, engages in manufacturing custom-formulated enzymes in a variety of industries, focusing primarily on small-to-middle market companies.

Capital Structure and Shareholding Pattern:

Cal-India is authorised to issue 100,000 shares of stock. As on the date of this RHP, the entire shareholding of Cal-India is held by Advanced Enzymes USA which holds 2,000 shares of common stock of the company.

Interest of the Subsidiary in our Company

Except as stated in “Financial Statements- Annexure XXXII- Consolidated Statement of Related party disclosures, as restated” and “Financial Statements- Annexure XXX- Unconsolidated Statement of Related party disclosures, as restated” on pages and 264 and 312, respectively, Cal-India does not have any other interest in our Company’s business.

6. Dynamic Enzymes, Inc.

Dynamic Enzymes, Inc. (“DEI”) was incorporated on February 24, 2015 under the laws of the State of California with its registered office at 4880 Murrieta St., Ste. D, Chino, California 91710 since incorporation. DEI, *inter alia*, offers high quality systemic and digestive enzyme supplements through retail channels.

Capital Structure and Shareholding Pattern:

DEI is authorised to issue 5,000 shares of common stock. As on the date of this RHP, the entire shareholding of DEI is held by Advanced Enzymes USA which holds 100 shares of common stock.

Interest of the Subsidiary in our Company

“Financial Statements- Annexure XXXII- Consolidated Statement of Related party disclosures, as restated” and “Financial Statements- Annexure XXX- Unconsolidated Statement of Related party disclosures, as restated” on pages 264 and 312, respectively, DEI does not have any other interest in our Company’s business.

7. Enzyfuel Innovation, Inc.

Enzyfuel Innovation, Inc. (“**EFI**”) was incorporated on September 21, 2015 under the laws of the State of California with its registered office at 13591 Yorba Avenue, Chino, California 91710 since incorporation. EFI, *inter alia*, offers enzymes and enzyme-based products in the energy sector.

Capital Structure and Shareholding Pattern:

EFI is authorised to issue 1,000 shares of common stock. As on the date of this RHP, the entire shareholding of EFI is held by Advanced Enzymes USA which holds 1,000 shares of common stock of EFI.

Interest of the Subsidiary in our Company

“Financial Statements- Annexure XXXII- Consolidated Statement of Related party disclosures, as restated” and “Financial Statements- Annexure XXX- Unconsolidated Statement of Related party disclosures, as restated” on pages 264 and 312, respectively, EFI does not have any other interest in our Company’s business.

8. Enzyme Innovation, Inc.

Enzyme Innovation, Inc. (“**EII**”) was incorporated on October 8, 2013 as Enzytech, Inc. under the laws of the State of California. Its name was changed to Enzyme Innovation, Inc. on April 3, 2014. Its registered office is located at 13591 Yorba Avenue, Chino, California 91710. EII, is engaged in the business of trading and marketing enzymes and enzyme-based products.

Capital Structure and Shareholding Pattern:

EII is authorised to issue 1,000,000 shares of common stock. As on the date of this RHP, the entire shareholding of EII is held by Cal-India which holds 1,000 shares of common stock.

Interest of the Subsidiary in our Company

Except as stated in “Financial Statements- Annexure XXXII- Consolidated Statement of Related party disclosures, as restated” and “Financial Statements- Annexure XXX- Unconsolidated Statement of Related party disclosures, as restated” on pages 264 and 312, respectively, EII does not have any other interest in our Company’s business.

Common Pursuits

Except as disclosed in this RHP, our Subsidiaries do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

Accumulated Profits or Losses

There are no accumulated profits or losses of our Subsidiaries that are not accounted for by our Company in the Consolidated Financial Information, as restated.

OUR MANAGEMENT

The Articles of Association require our Board to have at least 3 Directors and not more than 15 Directors. As on the date of this RHP, our Board comprises of 9 Directors.

The following table sets forth details regarding our Board of Directors as on the date of filing of this RHP with SEBI:

Board of Directors

Sr. No.	Name, Fathers' Name, Designation, Term, Age, Nationality, Address, Occupation & DIN	Date of Appointment & Term of Directorship	Other Directorships/ Partnership/ Trusteeship/ Proprietorship
1.	Mr. Chandrakant Laxminarayan Rathi S/o Laxminarayan Rathi Designation: Managing Director Term: April 1, 2015 to March 31, 2020 Age : 62 Nationality: Indian Address: Row House No. 18, Eternity, Teen Hath Naka, Thane (West), Thane – 400 601 Occupation: Business DIN: 00365691	Reappointed as a Managing Director w.e.f. April 1, 2015 for a period of 5 years, liable to retire by rotation.	<i>Other Directorships</i> (i) Advanced Vital Enzymes Private Limited; (ii) Advanced EnzyTech Solutions Limited; (iii) Chandrakant Rathi Innovations and Projects Private Limited; (iv) Source Natural Foods and Herbal Supplements Limited; (v) Advanced Enzymes USA; and (vi) Shankara Universal GmbH, Switzerland. <i>Limited Liability Partnership</i> Atharva Green Ecotech LLP <i>Trusts</i> Enzymes Association of India; and Shri Laxminarayan Rathi Bahuuddeshiya Seva Sanstha.
2.	Mr. Vasant Laxminarayan Rathi S/o Laxminarayan Rathi Designation: Non-Executive and Non-Independent Director Term: Liable to retire by rotation Age : 68 Nationality: Non Resident Indian Address: 5390, La Crescenta, Yorba Linda, CA 92887, USA Occupation: Business DIN: 01233447	Reappointed on August 12, 2014 (AGM) as Director liable to retire by rotation.	<i>Other Directorships</i> (i) Advanced Enzymes USA; (ii) AST Enzymes; (iii) Cal-India Foods International; and (iv) Rathi Property LLC. <i>Trusts</i> Vasant and Prabha Rathi Generation Trust; and Vasant and Prabha Rathi Legacy Trust.

3.	Mr. Ramesh Thakorlal Mehta S/o Thakorlal Keshavlal Mehta Designation: Non-Executive and Independent Director Term: Upto March 31, 2019 Age : 83 Nationality: Indian Address: 2301-2303, Vivarea Tower 'A', Sane Guruji Marg, Jacob Circle, Mahalakshmi, Mumbai- 400011 Occupation: Retired DIN: 00367439	Appointed as Independent Director on August 12, 2014 (AGM) upto March 31, 2019.	<i>HUF</i> R.T. Mehta H.U.F.
4.	Mr. Pradip Bhailal Shah S/o Mr. Bhailal Shah Designation: Non-executive and Non-Independent Director Term: Liable to retire by rotation Age : 62 Nationality: Non Resident Indian Address: 16629 Blackburn Drive, La Mirinda, Los Angeles, CA – 90638, USA Occupation: Business DIN: 01225582	Reappointed on August 12, 2014 (AGM) as Director liable to retire by rotation.	<i>Other directorships</i> (i) Washington Garment Dyeing & Finishing, Inc. (USA); and (ii) Advanced Enzymes USA.
5.	Mr. Mukund Madhusudan Kabra S/o Madhusudan Girdharilal Kabra Designation: Whole-time Director Term: April 1, 2014 to March 31, 2017 Age : 44 Nationality: Indian Address: Madhu Mangal, 33, Sheetal Housing Society, Takli Road, Nashik – 422 011 Occupation: Service DIN: 00148294	Re-appointed as a Whole-time Director w.e.f April 1, 2014 for a period of 3 years.	<i>Other Directorship</i> Advanced Bio-Agro Tech Limited. <i>HUF</i> Mukund M. Kabra H.U.F.

6.	Mrs. Savita Chandrakant Rathi W/o Mr. Chandrakant Laxminarayan Rathi Designation: Whole-time Director Term: January 1, 2016 - December 31, 2021 Age : 55 Nationality: Indian Address: Row House No. 18, Eternity, Teen Hath Naka, Thane (West) – 400 601 Occupation: Business DIN: 00365717	Re-appointed as a Whole- time Director w.e.f. January 1, 2016 for a period of 5 years.	<i>Other Directorships</i> (i) Advanced Vital Enzymes Private Limited (ii) Advanced EnzyTech Solutions Limited; (iii) Chandrakant Rathi Innovations and Projects Private Limited; and (iv) Atharva Clean Energy Private Limited. <i>Limited Liability Partnership</i> Atharva Green Ecotech LLP
7.	Mr. Kedar Jagdish Desai S/o Jagdish Shivprasad Desai Designation: Chairman, Non- Executive and Independent Director Term: 5 (five) years Age : 44 Nationality: Indian Address: Flat no. 52, Makani Manor, Opposite Jaslok Hospital, Peddar Road, Mumbai 400 026 Occupation: Professional DIN: 00322581	Appointed as an Independent Director on August 12, 2014 (AGM) upto March 31, 2019.	<i>Other Directorships</i> (i) Axis Mutual Fund Trustee Limited; (ii) Financial Planning Corporation (India) Private Limited; (iii) Chowgule Industries Private Limited; and (iv) Autotech Polymers India Private Limited. <i>Partnership</i> Desai Desai Carrimjee & Mulla <i>HUF</i> Jagdish S. Desai H.U.F.
8.	Mr. Kunisetty Venkata Ramakrishna S/o Subba Rao Kunisetty Designation: Non-Executive and Nominee Director Term: Not liable to retire by rotation Age : 46 Nationality: Indian Address: Flat 301, Orchid Hiranandani Meadows, Gladys Alwares Marg, Off. Pokhran Road No. 2, Thane (West) – 400 610	Appointed as Director on August 1, 2013.	<i>Other Directorships</i> (i) Mahindra Aerospace Private Limited; (ii) Dyna Spede Integrated Systems Private Limited; (iii) Arsin Corporation; (iv) Prolifics Corporation Limited; (v) Prolifics Inc.; and (vi) SST North America Inc.

	Occupation: Service DIN: 00133248		
9.	Ms. Rupa Rajul Vora W/o Rajul Pravinchandra Vora Designation: Non-Executive and Independent Director Term: Until next Annual General Meeting Age: 54 Nationality: Indian Address: 8, Hyde Park, 227, Sher-e-Punjab Society, Mahakali Caves Road, Andheri East, Mumbai – 400093, Maharashtra Occupation: Professional DIN: 01831916	Appointed as an Additional Director on November 28, 2015.	Other Directorships (i) SS Inclusive Development Finance Private Limited; (ii) SS Human Development Foundation; (iii) Volkswagen Finance Private Limited; (iv) JM Financial Asset Reconstruction Company Private Limited; (v) New Consolidated Construction Company Limited; and (vi) Capacit'e Infraprojects Limited.

Note: Except Mr. Vasant Laxminarayan Rathi and Mr. Pradip Bhailal Shah, all our directors are Indian nationals. Below mentioned directors are related to each other as follows:

- (i) Mr. Vasant Laxminarayan Rathi and Mr. Chandrakant Laxminarayan Rathi are brothers;
- (ii) Mrs. Savita Chandrakant Rathi is the wife of Mr. Chandrakant Laxminarayan Rathi and sister-in-law of Mr. Vasant Laxminarayan Rathi;
- (iii) Mr. Mukund Madhusudan Kabra is the sister's son (nephew) of Mr. Vasant Laxminarayan Rathi and Mr. Chandrakant Laxminarayan Rathi (and by virtue of the same is also related to Mrs. Savita Chandrakant Rathi).

None of our Directors are Wilful Defaulters as on the date of this RHP.

Further, neither our Company nor our Promoters, persons forming part of our Promoter Group, Directors or persons in control of our Company are debarred from accessing the capital markets by SEBI.

None of our directors are or have been directors in any of the listed companies which have been/ were delisted from the stock exchange(s).

None of our directors are or have been directors in any of the listed companies whose shares have been/were suspended from being traded on the BSE Limited / National Stock Exchange of India Limited.

None of the Promoters, Directors or persons in control of our Company, have been or are involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by the SEBI.

Other than the SSHA and the Amendment Letter dated January 7, 2016 with Investor – I, Investor – II and Investor – III, there is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above mentioned Directors was selected as director or member of senior management. In terms of the SSHA, Mr. Kunisetty Venkata Ramakrishna was appointed as the nominee director on the Board.

Brief Profile of the Directors

Mr. Chandrakant Laxminarayan Rathi, aged 62 years, is the Promoter and Managing Director of our Company. He holds a Bachelor's degree in Science (Chemical Engineering) from National Institute of Technology, Rourkela. He has over 37 years of experience in the enzyme industry and was one of the co-founders of Rathi Papains Private Limited incorporated in the year 1978, which was engaged in the business of manufacturing of enzymes from papain. In the year 1986, he joined Messrs Super Organic Research Laboratories as a partner till the year 1987 (which came to be acquired by the Company at a later stage). Subsequently, he promoted and incorporated the Company in the year 1989 and is currently responsible for the management of the entire operations of the Company and its Indian subsidiaries, including strategic initiatives of our businesses.

Mr. Vasant Laxminarayan Rathi, aged 68 years, is the Promoter and a Non-Executive and Non-Independent Director of our Company. He holds a Bachelor's degree in Pharmacy from Nagpur University and degree of Master of Science from University of Hawaii. He has over 37 years of experience in the enzyme industry and was one of the co-founders of Rathi Papains Private Limited incorporated in the year 1978, which was engaged in the business of manufacturing of enzymes from papain. He promoted and incorporated Cal-India in the year 1985 and has been associated with our Company since the year 1993. Mr. Vasant Laxminarayan Rathi heads our international subsidiaries based in United States.

Mr. Ramesh Thakorlal Mehta, aged 83 years, is a Non-Executive and Independent Director of our Company since 1993. He passed the Intermediate Science Exam from University of Bombay. He has experience in the business of jewellery designing and manufacturing. He retired as a partner in the year 2012 from his last firm, T.H.Jewels, where he worked for 14 years.

Mr. Pradip Bhailal Shah, aged 62 years, is a Non-Executive and Non-Independent Director of our Company. He holds a Bachelor's degree in Commerce from Gujarat University. He has 27 years of experience as the Vice-President of Washington Garment Dyeing & Finishing Inc. As the Vice-President, he is involved in overseeing the financial statements, inventory control, cost control, payroll management, cash flow management and consumer credit analysis.

Mr. Mukund Madhusudan Kabra, aged 44 years, is the Whole-time Director of our Company. He holds a Bachelor's degree in Chemical Engineering from Sambalpur University. He has over 20 years of experience in enzyme industry and joined our Company in the year 1995. He is responsible for overlooking the manufacturing operations of the Company at Sinnar and Indore and for optimising the fermentation for existing products, strain improvement, downstream research and analytical research.

Mrs. Savita Chandrakant Rathi, aged 55 years, is the Whole-time Director of our Company. She has over 26 years of experience in the enzyme industry and has been associated with our Company since incorporation. She is responsible for the administration of the Company, management and supervision of Export-Import, Client relationship management and the Human Resource department of the Company.

Mr. Kedar Jagdish Desai, aged 44 years, is the Chairman of our Company and a Non-Executive and Independent Director on our Board. He holds a Bachelor's degree of Commerce and a Bachelor's degree in Law from the University of Mumbai. He is also a qualified solicitor from the Bombay Incorporated Law Society. He has over 19 years of experience in the field of law. He was associated with Messrs Kanga & Co. from the year 1997 to 2007, out of which during the period 2004 to 2007, he was a partner at Messrs Kanga & Co. Subsequently and ever since, he has been a part of Messrs Desai, Desai, Carrimjee & Mulla, Advocates and Solicitors, as a partner.

Mr. Kunisetty Venkata Ramakrishna, aged 46 years, is a Non-Executive and Nominee Director of our Company. He holds a Post Graduate Diploma in Management from Indian Institute of Management, Bangalore. He also holds a degree in Bachelor of Technology in Computer Science from National Institute of Technology, Warangal. He has over 22 years of experience, of which 20 years is in the Finance Industry. He is currently the Chief Investment Officer of the Private Equity business of the Kotak Group. He has been associated with the Kotak Group since 2004. Prior to joining Kotak, he was a part of the Carlyle Group for 4 years. Prior to joining the Carlyle Group, he worked with ICICI Venture Funds Management Company Limited. He has also worked with Tata Engineering and Locomotive Company Limited at the Management Services Division as a Systems Officer.

Ms. Rupa Rajul Vora, aged 54 years, is a Non-Executive and Independent Director of our Company since November 28, 2015. She is a Chartered Accountant by profession. She has 31 years of experience. She started her career practicing independently as a Chartered Accountant for almost a decade. She then joined the banking industry and worked with Oman International Bank S.A.O.G. as Assistant Manager-Finance, with Credit Lyonnais and with K.B.C. Bank N.V. as Financial Controller. She was the Chief Financial Officer at Antwerp Diamond Bank N.V., after which she joined the IDFC Group where she inter-alia held position as a Group Director and Chief Financial Officer-Alternatives until June 2014. She now serves as an independent director on a few corporate boards.

Borrowing Powers

In terms of the Articles of Association of the Company, the Board is authorized to accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) or upto such amount as may be approved by the shareholders from time to time.

Compensation of Managing Director and Whole-time Directors

We have not entered into any service agreement with our Managing Director and Whole-time Directors providing for benefits upon termination of employment. However, the terms and conditions relating to remuneration and appointment of Mr. Chandrakant Laxminarayan Rathi, Managing Director are set out in the agreement dated September 10, 2015 entered into by him with the Company which is effective from April 1, 2015. Similarly the terms and conditions relating to remuneration and appointment of Mr. Mukund Madhusudan Kabra, Whole-time Director of the Company are set-out in the letter of reappointment dated August 14, 2014 issued by the Company and effective from April 1, 2014. Terms and conditions relating to remuneration and reappointment of Mrs. Savita Chandrakant Rathi, Whole-time Director of the Company, are set-out in the agreement dated December 28, 2015 which is effective from January 1, 2016.

The details of remuneration of our Managing Director and Whole-time Directors: -

(i) Mr.Chandrakant Laxminarayan Rathi, Managing Director

Particulars	Remuneration
Salary	In the range of ₹ 3,30,000/- to ₹ 16,70,625/- per month with an annual increment of not exceeding 50% of the previous year basic salary.
Other Allowances	House Rent Allowance, Compensatory Allowance, Education Allowance, Special Allowance, any other allowance as per the rules of the Company and payable every month or annually.
Commission	Commission entitled equivalent to 0.75% of Profit after Tax of the Company.
Perquisites	<i>Category – A</i> Mr. Chandrakant Laxminarayan Rathi is entitled to various perquisites including Medical Reimbursement, Leave Travel Concession, Club Fees (subject to maximum of two clubs excluding admission and life membership fees), Personal Accident Insurance, Medical Insurance, Incentive, Ex-gratia etc., in accordance with the rules of the Company. The aforesaid perquisites may be in the form of allowances or reimbursement, however, will be restricted to aggregated amount of annual salary and other allowances. <i>Category - B</i> The Company's contribution to Provident Fund, Superannuation Fund and Annuity Fund, Leave entitlement, Earned Leave and Encashment of earned

	leave and long service awards, will be in accordance to salary but shall not form a part of the perquisites. <i>Category – C</i> Car for the use on Company's business, telephone and communication facilities at residence, will not be considered as perquisites.
Reimbursement of Expenses	Reimbursement of travelling, entertainment and other expenses including amount spent on newspaper and business magazines incurred by him during the course of the business of the Company.
Sitting fees	Not entitled

For Financial Year ended 2016, Mr.Chandrakant Laxminarayan Rathi was paid an amount of ₹ 1,35,25,913/- comprising of Basic Salary of ₹ 39,60,000/-, Other Allowances of ₹ 85,15,998/- and a commission of ₹ 10,49,915/- as per the entitlement equivalent to 0.75% of the Profit after Tax of the Company adjusted by ₹ 5,00,000/- being the commission waived by Mr. Chandrakant Laxminarayan Rathi.

(ii) **Ms. Savita Chandrakant Rathi, Whole-time Director**

Particulars	Remuneration
Basic salary	In the range of ₹ 1,40,000/- per month with an annual increment of not exceeding 30% of the previous year basic salary.
Other allowance	House Rent Allowance, Compensatory Allowance, Education Allowance, Special Allowance and any other allowance as per the rules of the Company payable every month or annually.
Perquisites	<i>Category – A</i> Entitled to various perquisites including Medical Reimbursement, Leave Travel Concession, Club Fees (subject to maximum of two clubs excluding admission and life membership fees), Personal Accident Insurance, Medical Insurance, Incentive, Ex-gratia, Credit Card Membership & Annual Fees (used for business purpose) etc., in accordance with the rules of the Company. The aforesaid perquisites may be in the form of allowances or reimbursement. The aforesaid perquisites will be restricted to aggregate of annual salary and other allowances. <i>Category - B</i> The Company's contribution to Provident Fund, Superannuation Fund, and Annuity Fund, benefits of the Pension and Gratuity Scheme, Leave entitlement, Earned Leave and Encashment of earned leave and long service awards in accordance with the rules of the Company and will be allowed in addition to salary but shall not form a part of the perquisites. <i>Category – C</i> Car for the use on Company's business, telephone and communication facilities at residence, shall not form a part of the perquisites.
Re-imburement of expenses	Re-imburement of traveling, entertainment, and other expenses including newspaper and business magazines incurred by her during the course of the business of the Company.
Sitting fees	Not entitled

For Financial Year ended 2016, Mrs. Savita Chandrakant Rathi was paid an amount of ₹ 50,93,667/-comprising of Basic Salary of ₹ 15,48,000/- and Other Allowances of ₹ 35,45,667/-.

(iii) **Mr. Mukund Madhusudan Kabra, Whole-time Director**

Particulars	Remuneration
Basic salary	In the range of ₹ 1,82,750 – ₹ 4,00,000 per month with an annual increment of not exceeding 30% of the previous year basic salary.
Other allowance	House Rent Allowance, Compensatory Allowance, Education Allowance, Special Allowance and any other allowance as per the rules of the Company payable every month or annually.
Commission	Commission entitled equivalent to 0.50% profit after tax of the Company
Perquisites	<i>Category – A</i> Entitled to various perquisites including Medical Reimbursement, Leave Travel Concession, Club Fees (subject to maximum of two clubs excluding admission and life membership fees), Personal Accident Insurance, Medical Insurance, Incentive, Ex-gratia etc., in accordance with the rules of the Company. The aforesaid perquisites may be in the form of allowances or reimbursement however will be restricted to aggregated amount of annual salary and allowances. <i>Category - B</i> The Company's contribution to Provident Fund, Superannuation Fund, and Annuity Fund, benefits of the Pension and Gratuity Scheme, Leave entitlement, Earned Leave and Encashment of earned leave and long service awards in accordance with the rules of the Company and will be allowed in addition to salary but these shall not form a part of perquisites. <i>Category – C</i> Car for the use on Company's business, telephone and communication facilities at residence, shall not form a part of the perquisites.
Re-imbursement of expenses	Re-imbursement of traveling, entertainment and other expenses including newspaper and business magazines incurred by him during the course of the business of the Company.
Sitting fees	Not entitled

For Financial Year ended 2016, Mr. Mukund Madhusudan Kabra was paid an amount of ₹ 1,17,27,160/- comprising of Basic Salary of ₹ 30,29,400/-, Other Allowances of ₹ 81,64,483 /- and a commission of ₹ 533,277 /- as per the entitlement equivalent to 0.50% of the Profit after Tax of the Company adjusted by ₹ 5,00,000/- being the commission waived by Mr. Mukund Madhusudan Kabra.

Payment or benefit to Directors/ officers of our Company

The sitting fees paid to our Directors for Fiscal 2016 are as follows:

Sr. No.	Directors	Fees
1.	Mr. Ramesh Thakorlal Mehta	₹ 1,55,000/-
2.	Mr. Kedar Jagdish Desai	₹ 1,90,000/-
3.	Mr. Kunisetty Venkata Ramakrishna (Kotak India Venture Fund I nominee director)	₹ 90,000/-
4.	Mrs. Rupa Rajul Vora	₹ 80,000/-

Remuneration to Non-Executive Directors:

- Other than the remuneration to the Managing Director and the Whole-time Directors mentioned above, Mr. Vasant Laxminarayan Rathi, our Non-Executive Director and Promoter, draws remuneration from our step-down subsidiary, Cal-India and was paid a commission of ₹ 2,066,554/- for the Financial Year 2016 by our Company.
- Vide special resolution passed at the AGM of the Company held on August 12, 2014, the shareholders have approved the remuneration to be paid to and distributed amongst the non-executive directors of the Company or some or any of them which shall be a sum not exceeding one percent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, in such manner as determined by the Board of Directors. Such payments shall be made in respect of the profits of the Company for each financial year, for a period of five financial years commencing from April 1, 2014 and extending upto March 31, 2019.

The above said remuneration and perquisites are subject to the ceiling laid down in Sections 197 and Schedule V of the Companies Act and all other applicable provisions of the Companies Act as may be amended from time to time. In case of payment of remuneration in excess of the prescribed limits, recovery of the excess amount may be waived by the Board of Directors upon the recommendation of the Remuneration Committee and with the approval of the Central Government.

Except as stated in this RHP, no amount or benefit has been paid by our Company within the two preceding years or is intended to be paid or given by our Company to any of our Company's officers including our Directors and key management personnel.

Further, except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our directors and our key management personnel, are entitled to any other benefits upon termination of employment.

Except as disclosed above, our Company does not have any bonus or profit sharing plan for its Directors.

Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold any qualification shares. The shareholding of our Directors is hereunder provided as on date:

Sr. No.	Directors	No. of Equity shares	Percentage (%) of Pre-Offer equity capital
1.	Mr. Vasant Laxminarayan Rathi	7,480,900	34.37
2.	Mr. Pradip Bhailal Shah	7,50,800	3.45
3.	Mr. Mukund Madhusudan Kabra	3,81,100*	1.75
4.	Mrs. Savita Chandrakant Rathi	74,300	0.34
5.	Mr. Ramesh Thakorlal Mehta	8,000**	0.04
6.	Mr. Chandrakant Laxminarayan Rathi	9,300	0.04
7.	Mr. Kedar Jagdish Desai	Nil	Nil
8.	Mr. Kunisetty Venkata Ramakrishna	Nil	Nil
9.	Ms. Rupa Rajul Vora	Nil	Nil
Total		8,704,400	39.99

*900 Equity Shares are held on behalf of ABL Employees Stock Option Trust

**8,000 Equity Shares are held jointly by Mr. Ramesh Thakorlal Mehta with Mr. Sandip Mehta

Interest of Directors

Our Directors are interested in our Company in the following manner: -

- (a) All the Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under the Articles of Association;
- (b) All the Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them to the extent of any dividends payable to them and other distributions in respect of the said Equity Shares;
- (c) All the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firms in which they are partners as declared in their respective declarations;
- (d) Our Director, Mr. Vasant Laxminarayan Rathi is also a promoter of Rathi Property LLC that has leased office and warehouse premises located at 4880 Murrieta St., Chino CA 91710, USA to our step-down subsidiary, Cal-India. Cal-India has been paying a monthly lease rental of USD 11,097.49 to Rathi Property LLC for the same;
- (e) Similarly, our Director, Mr. Vasant Laxminarayan Rathi has leased office and warehouse premises located at 13591 Yorba Avenue, Chino, California 91710 to our step-down subsidiary, AST Enzymes. AST Enzymes has been paying a monthly lease rental of USD 4,500 to Mr. Vasant Laxminarayan Rathi for the same;
- (f) By a Stock Purchase Agreement dated April 4, 2011, Advanced Enzymes USA, our wholly-owned subsidiary acquired the outstanding stocks of Cal-India from our Promoter Mr. Vasant Laxminarayan Rathi, and certain members of our promoter group, namely Ms. Rachana Rathi, Ms. Rasika Rathi and Ms. Reshma Rathi for such consideration as payable under Purchaser Notes dated April 4, 2011. Part of the consideration payable under these purchaser notes was repaid by Advanced Enzymes USA by borrowing USD 3 million from our Group Company, Rathi Property LLC and USD 17 million from our Promoter, Mr. Vasant Laxminarayan Rathi (“**Lenders**”), aggregating to USD 20 million, for which it issued promissory notes dated December 13, 2012 to the Lenders. Further, Advanced Enzymes USA has also pledged its shares in Cal-India and AST Enzymes with the Lenders as security for repayment of the aforesaid loans under the said Promissory Notes and the Addendum executed in March 2014, respectively;
- (g) Mr. Chandrakant Laxminarayan Rathi, our Managing Director has extended his personal guarantee for securing the repayment of certain bank loans obtained by our Company. For details, please refer chapter titled “Financial Indebtedness” beginning on page 337 of this RHP.

Except as stated above and under the heading “Financial Statements- Annexure XXXII- Consolidated Statement of Related party disclosures, as restated” and “Financial Statements- Annexure XXXII- Unconsolidated Statement of Related party disclosures, as restated” on pages 264 and 312, respectively under the section titled “Financial Information”, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this RHP in which the Directors are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company.

Changes in our Board of Directors during the last three years

The following changes have taken place in the Board of Directors of our Company during the last three years:

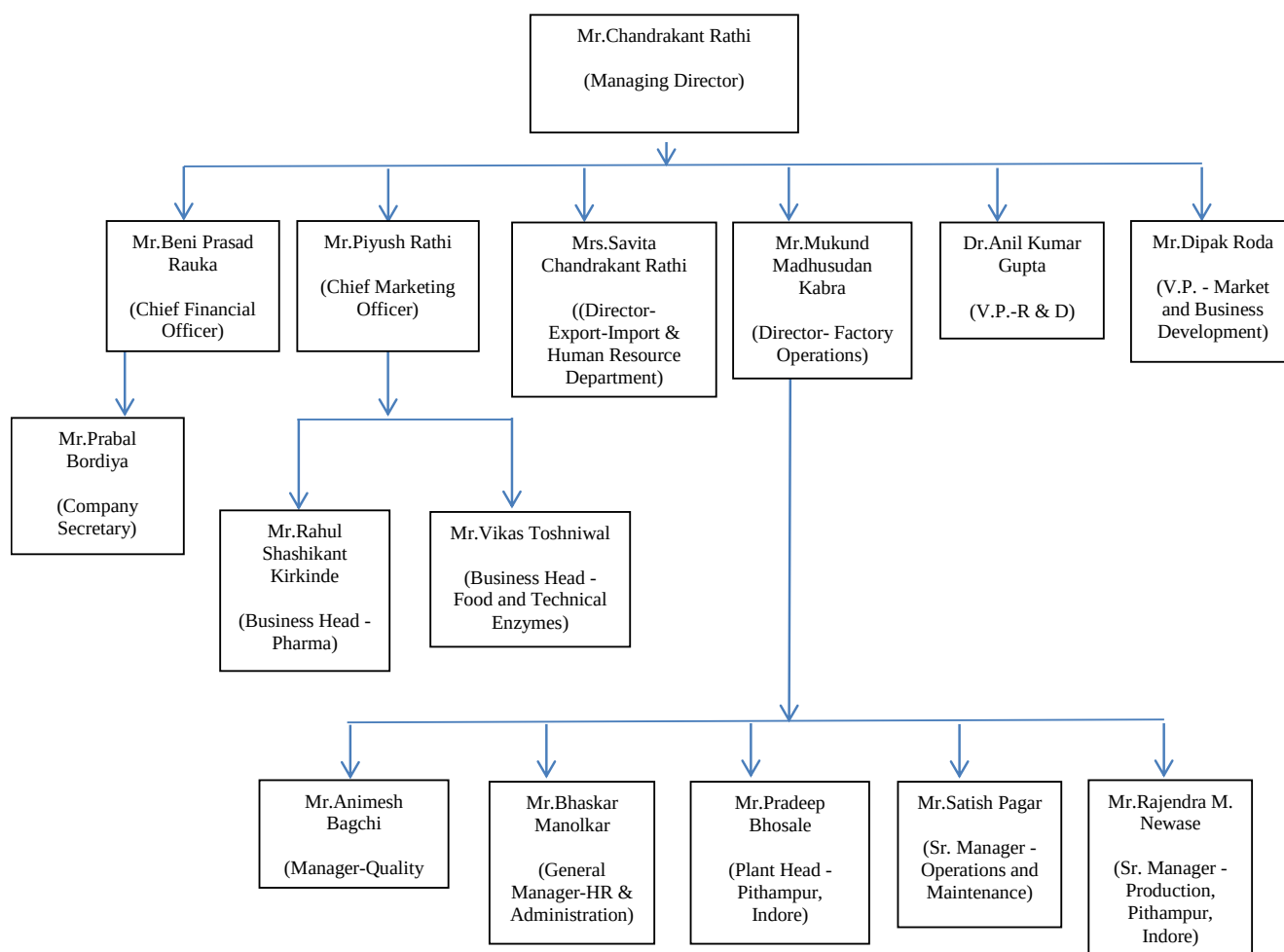
Sr. No.	Name	Date of change	Reason
1.	Mr. Pavan Kumar Gupta	September 24, 2013	Resignation
2.	Ms. Rupa Rajul Vora	November 28, 2015	Appointment

Composition of the Board of Directors

S. No.	Name of the Director	Category
1.	Mr. Chandrakant Laxminarayan Rathi	Managing Director
2.	Mr. Vasant Laxminarayan Rathi	Non-Executive and Non-Independent Director

3.	Mr. Ramesh Thakorlal Mehta	Non-Executive and Independent Director
4.	Mr. Pradip Bhailal Shah	Non-Executive and Non-Independent Director
5.	Mr. Mukund Madhusudan Kabra	Whole-time Director
6.	Mrs. Savita Rathi	Whole-time Director
7.	Mr. Kedar Jagdish Desai	Chairman, Non-Executive and Independent Director
8.	Mr. Kunisetty Venkata Ramakrishna	Non-Executive and Nominee Director
9.	Ms. Rupa Rajul Vora	Non-Executive and Independent Director

Management Organisational Structure



Corporate Governance

The provisions of the Listing Agreement to be entered into with the Stock Exchanges and the applicable regulations of SEBI (LODR) Regulations, 2015 with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. We believe we are in compliance with the requirements of the applicable regulations, including the Listing Agreement with the Stock Exchanges, the SEBI (LODR) Regulations, 2015 and the SEBI Regulations, in respect of corporate governance including constitution of the Board and committees thereof. The corporate governance framework is based on an effective independent board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board of Directors is constituted in compliance with the Companies Act, Listing Agreement to be executed with Stock Exchanges, the SEBI (LODR) Regulations, 2015 and in accordance with best practices in corporate governance, our Board of Directors functions either as a full board or through management which provides our Board of Directors detailed reports on its performance periodically.

Currently our Board has 9 Directors, of which the Chairman of the Board is a Non-Executive and Independent Director. In compliance with the requirements of the SEBI (LODR) Regulations, 2015, we have 3 Executive Directors and 6 Non-Executive Directors on our Board.

I. Committees of the Board in accordance with the SEBI (LODR) Regulations, 2015

Audit Committee

Audit Committee was constituted vide the Board meeting held on January 31, 2001 and reconstituted on October 27, 2010. The terms and role of the Audit Committee was finalised vide the Board resolution dated August 11, 2012. Subsequently, the constitution of the same underwent changes from time to time. The terms of reference and the constitution were last modified on November 28, 2015 and the existing Audit Committee of our Company comprises of the following: -

- (i) Ms. Rupa Rajul Vora– Chairperson;
- (ii) Mr. Kedar Jagdish Desai – Member;
- (iii) Mr. Ramesh Thakorlal Mehta – Member; and
- (iv) Mr. Kunisetty Venkata Ramakrishna – Member.

The Audit Committee shall meet at least four times a year with maximum interval of four months between two meetings of the Audit Committee.

The role of the Audit Committee shall be in accordance with section 17 of the Companies Act, 2013 and as per Regulation 18 and Part C of Schedule II of SEBI (LODR) Regulations, 2015. The role of the Audit Committee shall include the following:

1. Oversight of our Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for the appointment, remuneration and terms of appointment of auditors of our Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor’s report thereon before submission to the Board for approval, with particular reference to:
 - (a) Matters required to be included in the director’s responsibility statement to be included in the Board’s report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) Changes, if any, in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) Significant adjustments made in the financial statements arising out of audit findings;
 - (e) Compliance with listing and other legal requirements relating to financial statements;
 - (f) Disclosure of any related party transactions; and
 - (g) Modified opinion(s) in the draft audit report;

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of our Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of our Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate; and
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

6. Statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1). (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Nomination and Remuneration Committee

In the Board meeting dated June 9, 2014, the Nomination and Remuneration Committee was re-constituted. The terms of reference was modified on November 28, 2015. The members of the Nomination and Remuneration Committee are:-

- (i) Mr. Ramesh Thakorlal Mehta- Chairman;
- (ii) Mr. Kedar Jagdish Desai – Member; and
- (iii) Mr. Kunisetty Venkata Ramakrishna - Member.

The role of the Nomination and Remuneration shall be in accordance with Section 178 of the Companies Act 2013 and as per Regulation 19 and Part D of Schedule II of SEBI (LODR) Regulations, 2015 as follows:

- a) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- b) formulation of criteria for evaluation of performance of independent directors and the Board;
- c) devising a policy on diversity of the Board;
- d) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- e) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- f) devising a policy on Employee Stock Option Scheme and ensuring proper implementation as per scope provided in ESOP Scheme.

Management Committee

In the Board meeting dated August 11, 2012, the Management Committee was constituted comprising of Mr. Kunisetty Venkata Ramakrishna (Director), Mr. Mukund Madhusudan Kabra (Director – Operation), Mr. Beni Prasad Rauka (CFO) and Mr. Piyush Rathi (Chief Marketing Officer). The role of the Management Committee shall take appropriate/necessary steps, decisions required in connection with the operations, compliance and governance of the Company and guide the overall strategy of growth subject to overall supervision of Board of Directors of the Company.

IPO Committee

In the Board Meeting dated August 11, 2012, the IPO Committee was constituted. Further, the IPO Committee was re-constituted in the Board meeting dated September 1, 2015. The members of the IPO Committee are:-

- (i) Mr. Kedar Jagdish Desai – Chairman;
- (ii) Mr. Chandrakant Laxminarayan Rathi – Member; and
- (iii) Mr. Kunisetty Venkata Ramakrishna - Member.

IPO Committee is authorized to take decisions with regard to IPO as it may, in its absolute discretion deem fit and proper in the interest of the Company including the appointment of merchant bankers, lawyers, registrar and other agencies as may be

required for the purpose of IPO and the minutes of the Committee be placed to the Board for information, from time to time.

Stakeholders Relationship Committee

Our Board of Directors at their meeting held on February 2, 2013 had constituted the Shareholders/Investor Grievance Committee. Further, the Shareholders/Investor Grievance Committee was renamed in the Board Meeting held on November 28, 2015 as the Stakeholders Relationship Committee in compliance of the SEBI (LODR) Regulations, 2015. The members of the Stakeholders Relationship Committee are:

- (i) Mr. Kedar Jagdish Desai – Chairman;
- (ii) Mr. Kunisetty Venkata Ramakrishna – Member; and
- (iii) Mr. Ramesh Thakorlal Mehta – Member

The frequency of meetings of Stakeholders Relationship Committee is at least twice in a year. The quorum of the meetings of the Stakeholders Relationship Committee is either two members or one third of the members whichever is greater, but with a minimum of two independent members present. The role of the Stakeholders Relationship Committee shall be in accordance with Section 178 of the Companies Act, 2013 and as per Regulation 20 and Part D of Schedule II of the SEBI (LODR) Regulations, 2015 and is as follows:-

- The Committee shall consider and resolve the grievances of the security holders of our Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

Corporate Social Responsibility Committee

Our Board of Directors at their meeting held on June 9, 2014 had constituted the Corporate Social Responsibility Committee and it is in compliance with the SEBI (LODR) Regulations, 2015. The members of the Corporate Social Responsibility Committee are:

- 1. Mr. Kedar Jagdish Desai – Chairman;
- 2. Mr. Ramesh Thakorlal Mehta – Member; and
- 3. Mr. Kunisetty Venkata Ramakrishna – Member

The terms of reference of the Corporate Social Responsibility Committee shall be in accordance with Section 135 of the Companies Act, 2013 and is as follows:

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the schedule VII of the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- To monitor the CSR policy of the Company from time to time; and
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

Our Company has adopted the following policies:

- 1. Corporate Social Responsibility Policy;
- 2. Whistle Blower Policy;
- 3. Nomination and Remuneration Policy;
- 4. Policy on Material Subsidiaries;
- 5. Prevention and Archival Policy;

6. Policy on Related Party Transactions;
7. Risk Management Policy;
8. Code of Conduct;
9. Policy for Determining Material Events and Information; and
10. Policy for Prevention of Sexual Harassment.

Key Managerial Personnel

Given below are the details of our Key Managerial Personnel, other than the Managing Director and Whole-time Directors of our Company, as on the date of this Red Herring Prospectus. For details of our Managing Director and Whole-time Directors, please see page 202 appearing in the chapter titled “Our Management” beginning on page 198 of this RHP.

- (i) **Mr. Beni Prasad Rauka**, aged 52 years, is our Chief Financial Officer. He is a qualified Chartered Accountant and Company Secretary and has 19 years of experience in the finance industry. He was associated with our Company as an advisor since April 1, 2001 and became our employee on September 1, 2002. Prior to joining our Company, he worked with Systematix Corporate Services Limited as an Executive Director where he managed several IPOs for various Indian companies. He served as a Whole-time Director-cum-Company Secretary with Indergiri Finance Limited where, he was involved in ensuring compliance of various corporate laws including stock exchange listing requirements and taxation matters and financial accounting. As the Chief Financial Officer of our Company, he is responsible for finance, accounts, audit of the Company. His gross remuneration in the fiscal 2016 was ₹ 6.00 million.
- (ii) **Mr. Piyush Rathi**, aged 35 years, is our Chief Marketing Officer. He holds a Bachelor’s degree in Science from University of Mumbai, Bachelor’s of Science in Business Administration (Business Finance and Financial Economics – Summa Cum Laude) from Michigan Technological University, USA, and Post Graduate Diploma in Management from the Symbiosis Centre for Management and Human Resource Development. He joined our Company on April 1, 2005. Mr. Piyush Rathi has over 10 years of experience in the enzymes industry. As the Chief Marketing Officer, he is responsible for streamlining systems and processes and identifying new growth avenues for our Company. He also spearheads sales and marketing function and is actively involved in R&D initiatives, Human Resource development activities and Information Technology. His gross remuneration in the fiscal 2016 was ₹ 6.12 million.
- (iii) **Dr. Anil Kumar Gupta**, aged 50 years, is our Vice President – R & D. Dr. Anil Kumar Gupta holds a Bachelor’s of Science degree from Doctor Harisingh Gour Vishwavidyalaya, Sagar, Master’s degree in Microbiology and PhD in Bioscience from Jabalpur University. He is working with us since February 1, 1996. He has over 19 years of work experience. As the Vice President – R & D, he is responsible for overall research and development activities. He currently heads all the different areas of R&D viz. Applied Microbiology, Fermentation Process Development, Proteomics as well as Application Research. His gross remuneration in the fiscal 2016 was ₹ 6.71 million.
- (iv) **Mr. Dipak Roda**, aged 43 years, is our Vice President – Market and Business Development. He holds a Bachelor’s degree in Engineering (Chemical Branch) from University of Pune and a Master’s degree in Science (Tech.) from University of Mumbai. He is working with us since March 7, 2005. Prior to joining our Company, he worked with Enzo-Chem Laboratories Private Limited, Khandelwal Laboratories Limited and Lumis Biotech Private Limited. As Vice President – Market and Business Development, he is responsible for sales and marketing of food, feed & technical enzymes for the America and China geographies. He is also responsible for product development, application development and formulation of enzymes for textiles, leather, paper & detergent industries. He has over 20 years of work experience. His gross remuneration in the fiscal 2016 was ₹ 5.99 million.
- (v) **Mr. Rahul Shashikant Kirkinde**, aged 41 years, is our Business Head – Pharma. He is responsible for Sales and Marketing of enzymes to the Pharmaceutical and Nutraceutical industries for India, Asia and European Markets. He holds a Bachelor’s Degree in Pharmaceutical Sciences from University of Mumbai. He is a Registered Pharmacist with the Maharashtra State Pharmacy Council. He joined our Company on September 23, 2015. He has over 18 years of experience in the chemicals and pharmaceutical industry. Prior to joining our Company, he has worked with Anshul Life Science as the General Manager - Marketing & Business Development – Pharma. He has also worked with Ideal Cures Private Limited, Nigerian German Chemicals PLC, Flamingo Pharmaceuticals, Shalina Laboratories and CIPLA - Mumbai. His gross remuneration in the fiscal 2016 was ₹ 1.57 million.

- (vi) **Mr. Vikas Toshniwal**, aged 41 years, is our Business Head – Food and Technical Enzymes. He is responsible for Sales and Marketing of enzymes to food as well as non-food processing industries for India, Asia and European Markets. He holds a Master's Degree in Management Studies from University of Mumbai and a Bachelor's Degree in Electrical Engineering from University of Mumbai. He joined our Company on September 1, 2013. He has 13 years of experience and prior to joining our Company, he has worked with Maruti Udyog Limited, 3M India Ltd, E.I. Dupont India Pvt Ltd, Brady Company India Pvt. Ltd, Novozymes South Asia Private Limited. His gross remuneration for the fiscal 2016 was ₹ 2.96 million.
- (vii) **Mr. Animesh Bagchi**, aged 47 years, is our Manager - Quality. He is responsible for establishing quality policies at all the locations of the Company as per GMP, ISO and Food Safety, meeting up the quality parameters of the product and the facility as per regulatory needs, preparation of the technical dossier for product registration. He holds a Master's Degree in Science from University of Bhopal and a Bachelor's Degree in Science (Microbiology) from University of Bombay. He also has a Master's Degree in Business Administration from Sikkim Manipal University. He joined our Company on November 4, 2005. He has been working with our Company for the past 10 years. He has 22 years of experience in the chemicals and pharmaceuticals industry and 2 years of experience in the field of microbiology. Prior to joining our Company, he has worked with Glaxosmithkline Pharmaceuticals Limited, Makers Laboratories Limited, Merind Limited and Aristo Pharmaceuticals Limited. His gross remuneration for the fiscal 2016 was ₹ 1.53 million.
- (viii) **Mr. Bhaskar Manolkar**, aged 58 years, is our General Manager – HR and Administration for the Sinnar plant. Mr. Bhaskar Manolkar holds a Diploma in Mechanical Engineering from the Board of Technical Examinations, Maharashtra, Bachelor of Arts degree in Politics, Mathematics, and Economics from University of Poona, and a Master's degree in Business Administration from Yashwantrao Chavan Maharashtra Open University, Nashik. He is working with us since April 1, 2003. He has 12 years of work experience. He is currently responsible for various regulatory permissions and sanctions at Sinnar plant, Food & Drugs Administration for CGMP certification and drugs and food licenses, employee's welfare activities, plant safety audit and general administration of the plant etc. His gross remuneration in the fiscal 2016 was ₹ 2.11 million.
- (ix) **Mr. Pradeep Bhosale**, aged 47 years, is our Plant Head – Pithampur, Indore. Mr. Pradeep Bhosale holds a Diploma in Business Management from University of Pune. He is working with us since June 15, 1994. Prior to joining our Company, he had worked with Aryan Pesticides Limited and Rajgad Sahakhari Sakhar Karkhana Limited. He is currently, the Plant Head – Pithampur, Indore of our Company and is responsible for overall activities carried out at the Indore Plant like production, maintenance, exports etc., fulfilment of regulatory requirements related to SEZ. He has 23 years of work experience. His gross remuneration in the fiscal 2016 was ₹ 1.96 million.
- (x) **Mr. Satish Pagar**, aged 47 years, is our Senior Manager – Operations and Maintenance. He is responsible for planning of production activities, raw materials, major maintenance and modification work, monitoring and control of product quality and outputs, power and fuel consumption, new product trials, processes scale-ups and improvement, facility audits and maintenance. He holds a Bachelor's Degree in Science (Microbiology) from University of Poona. He joined our Company on July 7, 1994. He has been working with our Company for 21 years. Prior to joining our Company, he has worked with Enzo-Chem Laboratories Private Limited. He has 26 years of work experience. His gross remuneration for the fiscal 2016 was ₹ 2.23 million.
- (xi) **Mr. Rajendra Newase**, aged 52 years, is our Senior Manager – Production (Pithampur, Indore). He is responsible for planning of batch production, raw materials, product development, waste reduction, improving yield and quality of product, optimum utilization of production facilities. He holds a Bachelor's Degree in Chemical Engineering from University of Pune. He joined our Company on July 15, 1994. He has been working with our Company for 21 years. Prior to joining our Company, he has worked with Atlas Fine Chemicals Private Limited and Citric India Limited. He has 22 years of work experience. His gross remuneration for the fiscal 2016 was ₹ 1.65 million.
- (xii) **Mr. Prabal Bordiya**, aged 24 years is the Company Secretary and Compliance Officer of our Company. He is a qualified Company Secretary from the Institute of Company Secretaries of India and has joined our Company on January 13, 2016. His gross remuneration in the fiscal 2016 was ₹ 0.09 million.

Notes:

1. All the key managerial personnel mentioned above are permanent employees of our Company and none of them are related to each other or to any Director of our Company except Mr. Piyush Rathi, who is the son of Mr. Chandrakant Laxminarayan Rathi and Mrs. Savita Chandrakant Rathi and nephew of Mr. Vasant Laxminarayan Rathi (and therefore also related to Mr. Mukund Madhusudan Kabra as well).
2. There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned personnel have been recruited.
3. As on the date of filing of this RHP, our Company does not have a performance linked bonus or a profit sharing plan with the key management personnel.
4. No non-salary-related payments or benefits have been made to our key management personnel other than (i) the shares issued by way of employee stock options; (ii) certain performance-linked incentives which were paid by the Company in the past, to its key managerial personnel based on targets achieved and general performance and (iii) vehicle facilities.

Shareholding of Key Managerial Personnel

Other than the following, none of our Key Management Personnel holds Equity Shares in our Company as on the date of filing of this RHP: -

Sr. No.	Name of the Key Managerial Personnel	No. of Equity Shares (Face Value of ₹ 10 each)	Percentage of pre-Offer share capital (%)
1.	Mr. Piyush Rathi	24,700	0.11
2.	Mr. Beni Prasad Rauka	48,000	0.22
3.	Mr. Dipak Roda	26,400	0.12
4.	Dr. Anil Kumar Gupta	49,000	0.23
5.	Mr. Pradip Bhosale	12,800	0.06
6.	Mr. Bhaskar Manolkar	10,500	0.05
7.	Mr. Animesh Bagchi	1,500	0.01
8.	Mr. Rajendra Newase	9,400	0.04
9.	Mr. Satish Pagar	11,700	0.05
Total		194,000	0.89

Changes in the Key Managerial Personnel during last three years:

Following have been the changes in the key managerial personnel during the last three years:

Sr. No.	Name	Date of Joining	Date of Leaving	Reasons
1.	Mr. Vikas Toshniwal	September 1, 2013	-	Appointment
2.	Mr. Kumar Krishnamurthy Navile	February 10, 2012	October 21, 2014	Resignation
3.	Mr. Sandeep Bijamwar	August 1, 2010	July 18, 2015	Resignation
4.	Mr. Rahul Shashikant Kirkinde	September 23, 2015	-	Appointment
5.	Mr. Sunil Kumar Sharma	March 1, 2013	September 29, 2015	Resignation
6.	Ms. Shilpa Risbud	June 7, 1997	December 1, 2015	Transfer to Advanced Vital Enzymes Private Limited
7.	Mr. Prabal Bordiya	January 13, 2016	-	Appointment

Interests of Key Managerial Personnel

Our Key Managerial Personnel are interested to the extent of remuneration paid to them by our Company and to the extent of their shareholding in our Company and may also be regarded as interested in the Equity Shares to be allotted to them

under the AETL- Employees' Stock Option Scheme, 2015. For details of the AETL- ESOS-2015, see the section on page 96 appearing in the chapter titled "Capital Structure" beginning on page 82 of this RHP.

Employees

As on March 31, 2016 we have 377 employees including the employees across our Subsidiaries.

Workers Contract

Our Company and the Workmen employed at Sinnar plant and the Satpur plant represented by Advanced Enzymes Technologies Employees' Union entered into a Memorandum of Settlement dated October 14, 2015 for the purpose of laying down terms with respect to the gradation of the employees and compensation like dearness allowances, house rent allowance, education allowance, shift allowance, attendance link bonus, performance link allowance, conveyance city allowance, daily allowance, medical assistance for accident cases, assistance for family planning operation, medical allowance, leave entitlement, vehicle allowance, paid allowance, overtime allowance etc. The said Memorandum of Settlement has come into effect from April 1, 2015 and shall remain in force for a period of 3 years expiring on March 31, 2018. It shall remain valid until terminated by either party in accordance with provisions of the Industrial Disputes Act, 1947.

Payment or benefit to our officers

Mr. Vasant Laxminarayan Rathi had transferred 61,900 Equity Shares of the Company, by way of gift to Mr. Mukund Madhusudan Kabra (who was holding the Equity Shares on behalf of the ABL Employees Stock Option Trust) on October 22, 2012 and February 4, 2013. Subsequently, barring 900 Equity Shares, all the aforesaid Equity Shares were transferred from Mr. Mukund Madhusudan Kabra to the employees of the Company by way of gift. For further details, please see page 88 of the chapter titled "Capital Structure".

Except for the above and the payment of monetary and non-monetary benefits as mentioned in this RHP and the dividend, if any, that may have been declared on the Equity Shares held by our officers, we have not paid any amount or given any benefit to any officer of our Company, nor is such amount or benefit intended to be paid or given to any officer as on the date of filing this RHP.

OUR PROMOTERS AND PROMOTER GROUP

The following are the Promoters of our Company:

	Mr. Chandrakant Laxminarayan Rathi, aged 61 years, is the Promoter and Managing Director of our Company. He holds a Bachelor's degree in Science (Chemical Engineering) from National Institute of Technology, Rourkela. He has over 37 years of experience in the enzyme industry and was one of the co-founders of Rathi Papains Private Limited incorporated in the year 1978, which was engaged in the business of manufacturing of enzymes from papain, and is currently responsible for the management of the entire operations of the Company and its Indian subsidiaries, including strategic initiatives of our businesses. For further details, please refer to the chapter titled "Our Management" beginning on page 198 of this RHP. Passport No: Z1728699 Driving Licence: MH04 19780062532 Voter Id No.: MT/10/053/0493165 DIN: 00365691
	Mr. Vasant Laxminarayan Rathi, aged 67 years, is the Promoter and a Non-executive and Non-Independent Director of our Company. He holds a Bachelor's degree in Pharmacy from Nagpur University and degree of Master of Science from University of Hawaii. He has over 37 years of experience in the enzyme industry and was one of the co-founders of Rathi Papains Private Limited incorporated in the year 1978, which was engaged in the business of manufacturing of enzymes from papain. He promoted and incorporated Cal-India in the year 1985 and has been associated with our Company since the year 1993. Mr. Vasant Laxminarayan Rathi heads our international subsidiaries based in United States. For further details, please refer to the chapter titled "Our Management" beginning on page 198 of this RHP. Passport No: 452038211 Driving Licence: N5176542 (California) Voter Id No.: N.A. DIN: 01233447

We confirm that the permanent account number, bank account details and passport number of our promoters was submitted to the Stock Exchanges, at the time of filing the DRHP with them.

Interest of Promoters

Our Promoters who are also the Directors of our Company and our Subsidiaries may be deemed to be interested to the extent of fees, if any payable to them for attending meetings of the Board or a committee thereof as well as to the extent of remuneration, commission and reimbursement of expenses payable to them as per the terms of the Articles of our Company/Subsidiaries and relevant provisions of Companies Act. Our Promoters may also be deemed to be interested to the extent of Equity Shares held by them in our Company and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares in our Company.

Our Director, Mr. Vasant Laxminarayan Rathi is also a promoter of Rathi Property LLC that has leased a portion of land to our step-down subsidiary, Cal-India, which is presently used for our manufacturing and QA/QC/R&D facility at Chino, California, USA. Cal-India has been paying a monthly lease rental of USD 11,097.49 to Rathi Property LLC for the same.

Further, our Director, Mr. Vasant Laxminarayan Rathi has leased office and warehouse premises located at 13591 Yorba Avenue, Chino, California 91710 to our step-down subsidiary, AST Enzymes. AST Enzymes has been paying a monthly lease rental of USD 4,500 to Mr. Vasant Laxminarayan Rathi for the same.

Our Subsidiary, Advanced Enzymes USA has obtained a loan of USD 17 Million from our Director, Mr. Vasant Laxminarayan Rathi at the rate of 3.5% per year and has executed a promissory note dated December 13, 2012 against the same. Further, all the stocks held by Advanced Enzymes USA in Cal-India and in AST Enzymes are pledged to Mr. Vasant Laxminarayan Rathi against re-payment of the aforesaid loan.

Further, our Subsidiary, Advanced Enzymes USA has also obtained a loan of USD 3 Million from Rathi Property LLC being one of the companies promoted by our Promoter, Mr. Vasant Laxminarayan Rathi, at the rate of 3.5% per year and has executed a promissory note dated December 13, 2012 against the same. Further, all the stocks held by Advanced Enzymes USA in Cal-India and in AST Enzymes are pledged to Rathi Property LLC against re-payment of the aforesaid loan.

For further information, please refer to the details under the heading “*Our Management – Interest of Directors*” on page 206 of this RHP.

Except as stated under the heading “Financial Statements- Annexure XXXII- Consolidated Statement of Related party disclosures, as restated” and “Financial Statements- Annexure XXX- Unconsolidated Statement of Related party disclosures, as restated” on pages 264 and 312, respectively, of this RHP, and described in this RHP, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this RHP in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company.

Further, our Promoters and certain members of our Promoter Group are also directors on the boards of certain Group Companies and they may be deemed to be interested to the extent of the payments made by our Company, if any, to/from these Group Companies. For the payments that are made by our Company to certain Group Companies, see “Financial Statements- Annexure XXXII- Consolidated Statement of Related party disclosures, as restated” and “Financial Statements- Annexure XXX- Unconsolidated Statement of Related party disclosures, as restated” on pages 264 and 312 of this RHP.

Payment or benefits to our Promoters in the last two years

Except as mentioned above under the heading “Interest of Promoters” and in the sections titled “Financial Statements- Annexure XXXII-Consolidated Statements of Related party disclosures, as restated”, “Financial Statements- Annexure XXX-Unconsolidated Statements of Related party disclosures, as restated” and chapter titled “Objects of the Offer” on pages 264, 312 and 117 respectively of this RHP, no amount or benefits were paid or were intended to be paid to our Promoters during the last two years from the date of filing of this RHP.

Common Pursuits

One of our Group Companies, Advanced Vital Enzymes Private Limited has some of the objects similar to that of our Company’s business. Our Promoter, Mr Chandrakant Laxminarayan Rathi and our Company have entered into Non-compete Agreements dated March 16, 2013 with the aforesaid Advanced Vital Enzymes Private Limited in order to avoid any conflict of interest, which may be envisaged on account of the above which was further revised and modified vide another Non-compete Agreement dated January 13, 2016. Additionally, other than as disclosed in the chapter titled “Our Group Companies” beginning on page 221 of this RHP, our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when it arises.

Companies with which our Promoters have disassociated in the last three years

None of our Promoters have disassociated themselves from any companies, firms or other entities during the last three years preceding the date of the DRHP.

Related Party Transactions

For details of related party transactions entered into by our Company during the preceding two years from the date of this Red Herring Prospectus, the nature and the cumulative value of such transactions, please see “Financial Statements- Annexure XXXII- Consolidated Statement of Related party disclosures, as restated” and “Financial Statements- Annexure XXX- Unconsolidated Statement of Related party disclosures, as restated” on pages 264 and 312 of this RHP.

Change in Management and control of our Company

There was no change in management of our Company during five years immediately preceding the date of filing of this RHP.

Promoter Group

Our Promoter Group as defined under Regulations 2(zb)(iv) of the SEBI Regulations includes the following individuals and body corporates:

(i) Natural Persons

(a) Mr. Chandrakant Laxminarayan Rathi

The following natural persons form part of our Promoter Group as relatives of Mr. Chandrakant Laxminarayan Rathi: -

Name	Relationship
Mrs. Savita Chandrakant Rathi	Wife
Mr. Vasant Laxminarayan Rathi	Brother
Mr. Kishor Laxminarayan Rathi	Brother
Ms. Mangala Madhusudan Kabra	Sister
Mr. Piyush Rathi	Son
Ms. Radhika Pujara	Daughter
Ms. Meena Mundra	Wife's Sister
Ms. Shobha Boob	Wife's Sister
Ms. Shaila Kalantri	Wife's Sister
Mr. Pramod Bajaj	Wife's Brother
Mr. Prakash Bajaj	Wife's Brother

(b) Mr. Vasant Laxminarayan Rathi

The following natural persons form part of our Promoter Group as relatives of Mr. Vasant Laxminarayan Rathi: -

Name	Relationship
Mrs. Prabha Rathi	Wife
Mr. Chandrakant Laxminarayan Rathi	Brother
Mr. Kishor Laxminarayan Rathi	Brother
Ms. Mangala Madhusudan Kabra	Sister
Ms. Rasika Rathi	Daughter
Ms. Reshma Rathi	Daughter
Ms. Rachana Rathi	Daughter
Mrs. Sunita Narayandas Soni	Wife's Sister
Mr. Madhusudan Narayandas Soni	Wife's Brother
Mr. Shamsunder Narayandas Soni	Wife's Brother

(ii) Body Corporates:

Following are the Promoter Group entities:

1. Atharva Green Ecotech LLP

2. Chandrakant Rathi Innovations and Projects Private Limited
3. Advanced Vital Enzymes Private Limited
4. Atharva Clean Energy Private Limited
5. Rathi Property LLC
6. Vasant and Prabha Rathi Generation Trust
7. Piyush Rathi HUF
8. Enzymes Association of India
9. Shri Laxminarayan Rathi Bahuuddeshiya Seva Sanstha
10. Vasant and Prabha Rathi Legacy Trust

Other Confirmations:

None of our Promoters are Wilful Defaulters and there are no violations of securities laws committed by our Promoters in past or pending against them. Our Promoters are not prohibited from accessing the capital markets and no order or direction has been passed by SEBI or any other regulatory/statutory authority.

None of the Promoters, Promoter Group entities or Group Companies have been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last five years preceding the date of the Offer against our Promoters, except as disclosed under the chapter titled “Outstanding Litigation and Material Developments” beginning on page 340 of this RHP.

OUR GROUP COMPANIES

As per the requirements of SEBI Regulations, for the purpose of identification of 'Group Companies', our Company has considered those companies as Group Companies, which are included in the list of related parties of the Company, under Accounting Standard 18 or other companies as considered material by our Board. Pursuant to a resolution of our Board dated November 28, 2015, for the purpose of disclosure in offer documents for the Offer, a company shall be considered material and disclosed as a 'Group Company' if (i) such company forms part of the Promoter Group of our Company in terms of Regulation 2(1)(z)(b) of the SEBI Regulations; and (ii) companies in which, the investment in the form of equity or loan by our Company exceeds 10% of the consolidated net worth of our Company for the last audited financial year; and (ii) where our Company has entered into one or more transactions with such company in the last audited financial year, cumulatively exceeding 10% of the total consolidated revenue of our Company for the last audited financial year.

Based on the above, the following are the Group Companies:

1. Atharva Green Ecotech LLP
2. Advanced Vital Enzymes Private Limited
3. Chandrakant Rathi Innovations and Projects Private Limited
4. Atharva Clean Energy Private Limited
5. Rathi Property LLC
6. Silverttech Trading Company Private Limited
7. Om Manufacturing Jalna Private Limited
8. Pranoo Financial Services Private Limited
9. Manoo Finance and Investment Private Limited
10. Indergiri Securities Private Limited
11. Indergiri Finance Limited
12. Indergiri Shares and Stock Brokers Private Limited

We have one listed Group Company, the details of which are as follows:

Indergiri Finance Limited

Corporate Information:

Indergiri Finance Limited was incorporated on January 27, 1995 under the provisions of Companies Act, 1956.

In terms of its Memorandum of Association, it is, *inter-alia*, carrying on the business of financing including financing industrial enterprise, hire purchasing, leasing, hiring or letting on hire all kinds of plant and machinery and equipment that the Company may think fit and to assist in financing of all and every kind and description of hire purchase, lease or deferred payment or similar transactions and to subsidise, finance or assist in subsidising or financing the sale and maintenance of any goods' articles or commodities of all and every kind and description and to purchase or otherwise deal in all forms of movable and immovable properties including land and building, plant and machinery, equipment, ships, aircraft, automobiles, computers and all consumer, commercial and industrial items and to lease or otherwise deal with them in any manner whatsoever including resale thereof and to act as lease brokers, managers of lease portfolios and to act as general financiers whether on security or otherwise.

Interest of Promoters:

Our Promoters do not have any interest in Indergiri Finance Limited.

Audited Financial information:

(₹ in Million)

Particulars	Year Ending March 31, 2016	Year Ending March 31, 2015	Year Ending March 31, 2014
Authorised Capital	55.00	55.00	55.00
Paid-up Equity Capital	50.61	50.61	50.61
Reserves & Surplus	(0.56)	(1.35)	(1.63)
Sales/Income	9.67	6.94	6.92
Profit/(Loss) after tax	0.76	0.17	0.01
Earnings per share (₹)	0.15	0.034	0.002
Net Asset Value per equity share (₹)	9.89	9.73	9.68

Share Price Information

The monthly high and low of the market price of the equity shares of Indergiri Finance Limited of face value of ₹ 10 each on the BSE for the last six months are as follows:

Month	High Price (in ₹)	Low Price (in ₹)
Jan-16	5.70	5.70
Feb-16	5.75	5.75
Mar-16	5.50	5.50
Apr-16*	-	-
May-16*	-	-
Jun-16*	-	-

**No shares were traded during the month of April, May and June 2016*

The closing share price of Indergiri Finance Limited as on July 8, 2016 the BSE was ₹5.50.

The market capitalization of Indergiri Finance Limited as on July 8, 2016 as per the closing price on the BSE was ₹27.84 million.

Public or Rights Issue in the last three years:

Indergiri Finance Limited has not made any public or rights issue in the past three years.

Rates of Dividend

Indergiri Finance Limited has not declared any dividend in the past three years.

Promise v. performance

Indergiri Finance Limited has not made any public or rights issue in the past 10 years.

Mechanism for redressal of investor grievances

The board of directors, have constituted a Stakeholders relationship committee consisting of two directors viz. Mr. Beni Prasad Rauka & Mr. Kishan Sharma. The Committee looks into redressing shareholders & investors complaints like transfer of shares, non-receipt of annual report etc. Mr. Kishan Sharma, Director is the Compliance officer of the company and monitors the activities of Registrar & Transfer Agent & looks after the issues relating to shareholders. The Company has also been taking all steps to ensure that shareholders related activities are given due priority and matters are resolved at the earliest.

Following are the details of the largest five unlisted Group Companies:

1. Advanced Vital Enzymes Private Limited

Corporate Information:

Advanced Vital Enzymes Private Limited was incorporated on February 17, 2005 under the provisions of Companies Act, 1956 as Advanced Bio-Nutraceuticals Limited

In terms of its Memorandum of Association, it is, *inter-alia*, carrying on the business as a developer, processor, manufacturer, solution provider, dealers of all kind of nutraceuticals, herbals, ayurvedic preparations, Enzymes, probiotics, prebiotics, nutrients, anti-oxidants, growth hormones, life-saving drugs, medicine, agro-bio chemicals.

Interest of Promoters:

Our Promoter, Mr. Chandrakant Laxminarayan Rathi holds 100 shares of ₹10/-, on behalf of our Company, aggregating to 0.00% of the issued and paid up share capital of Advanced Vital Enzymes Private Limited and 12,250 shares of ₹10/-, in his individual capacity, aggregating to 0.25% of the issued and paid up share capital of Advanced Vital Enzymes Private Limited.

Audited Financial information:

(₹ in Million)			
Particulars	Year Ending March 31, 2015	Year Ending March 31, 2014	Year Ending March 31, 2013
Authorised Capital.	60.00	60.00	60.00
Paid-up Equity Capital.	48.04	48.04	48.04
Reserves & Surplus.	(29.18)	(32.30)	(33.00)
Sales/Income.	51.65	51.47	49.12
Profit/(Loss) after tax.	3.14	0.70	(6.11)
Earnings per share (₹).	0.65	0.15	(1.27)
Net Asset Value per equity share (₹).	3.93	3.28	3.13

2. Rathi Property LLC

Corporate Information:

Rathi Property LLC was incorporated on September 15, 2010 under the Law of the State of California as a Limited Liability Company with its principal place of business at 4880 Murrieta St, Chino CA, 91710 since incorporation. It is involved in the business of real estate, investment and finance and 100% owned by Vasant and Prabha Rathi Legacy Trust.

Financial information based on the tax return:

(In USD)			
Particulars	Year Ending December 31, 2015	Year Ending December 31, 2014	Year Ending December 31, 2013
Total Income	235,844	126,435	235,844
Profit Before Tax	235,844	126,435	235,844
Tax Payable	0	0	0
Profit After Tax	235,844	126,435	235,844
Distribution of profit	92,500	143,225	92,500
Closing Partners' Capital Accounts	6,097,151	6,080,361	6,097,151

3. Chandrakant Rathi Innovations and Projects Private Limited

Corporate Information:

Chandrakant Rathi Innovations and Projects Private Limited was incorporated on September 19, 1994 under the provisions of the Companies Act, 1956 as Chandrakant Rathi Finance and Investment Company Private Limited, a private limited company, bearing CIN U99999MH1994PTC081231 with its registered office at 106, Dhanlaxmi Industrial Estate, Old Agra Road, Thane West 400 601 since incorporation. Thereafter, its name was changed to Chandrakant Rathi Innovations and Projects Private Limited and it is now known as Chandrakant Rathi Innovations and Projects Private Limited.

In terms of its Memorandum of Association, it is, *inter-alia*, carrying on the business of developing innovative ideas, products, processes and business models and is applying them to industry, and identifying and supporting projects that create and promote sustainable business development as well as providing consultancy services in the field of development of products, methods, processes and business models.

Interest of Promoters:

Our Promoter, Mr. Chandrakant Laxminarayan Rathi directly holds 119,300 shares of ₹ 10/- aggregating to 11.45% of the issued and paid up share capital of Chandrakant Rathi Innovations and Projects Private Limited.

Audited Financial information:

(₹ in Million)			
Particulars	Year Ending March 31, 2016	Year Ending March 31, 2015	Year Ending March 31, 2014
Authorised Capital.	19.50	19.50	19.50
Paid-up Equity Capital.	10.42	10.09	10.09
Reserves & Surplus.	39.11	55.38	53.27
Sales/Income.	10.79	2.48	6.14
Profit/(Loss) after tax.	(18.92)	2.11	5.37
Earnings per share (₹) (Basic & Diluted).	(17.54)	2.16	5.69
Net Asset Value per equity share (₹).	47.53	64.88	62.79

4. Silverttech Trading Company Private Limited

Corporate Information:

Silverttech Trading Company Private Limited was incorporated on June 16, 2003 under the provisions of Companies Act, 1956 as Silverttech Trading Company Private Limited. It is *inter-alia* involved in the business of trading of Crude Papain.

In terms of its Memorandum of Association, it is, *inter-alia*, carrying on the business in India or elsewhere as Traders, Distributors, Dealers, Exporter, Importer, Converters, Stockiest & Commission agent, Agency business, Research and Developments and Processors of Industrial, Commercial, Agricultural, Scientific, Household, Domestic, Automobiles, Farms and Forest product, Food product, Leather & Leather Products, Rubber and rubber product, LP Gas, Petroleum and Petroleum Products, Engineering product goods, Plant & Machinery, Equipment, Apparatus and other Gadgets, Appliances, Accessories, Spare parts, Computer Hardware, Software, Intellectual Property Rights, all type of Chemicals, Minerals, Pharmaceutical, Wool, Silk, Yarn, Fibers, Garments, Textiles, Timber Products, Rubber, Plastics, Tyres & Tubes, Cement, Fertilizers, Iron & Steel, Copper, Gold, Silver, Precious Stones and Jewellery, Ferrous & Non Ferrous Metals, Electronic toys, Games, Batteries, Button Cells, Telephones, Gas Lighters, Calculating Machines, Electronic Organisers, Computer Floppy Diskettes, Audio, video tapes, Compact Discs, T.V. Software, Film and TV Serials, e-commerce, interactive communication services, web based solutions and internet portals or any other merchandise or service on ready or forward basis,

Interest of Promoters:

Our Promoters do not have any interest in Silverttech Trading Company Private Limited.

Audited Financial information:

(₹ in Million)

Particulars	Year Ending March 31, 2015	Year Ending March 31, 2014	Year Ending March 31, 2013
Authorised Capital.	1.00	1.00	1.00
Paid-up Equity Capital.	1.00	1.00	1.00
Reserves & Surplus.	3.64	3.27	3.04
Sales/Income.	15.15	9.22	17.82
Profit/(Loss) after tax.	0.37	0.22	0.46
Earnings per share (₹).	3.72	2.22	4.55
Net Asset Value per equity share (₹).	46.38	42.66	40.45

5. Om Manufacturing Jalna Private Limited

Corporate Information:

Om Manufacturing Jalna Private Limited was incorporated on July 30, 2012 under the provisions of Companies Act, 1956 as Om Manufacturing Jalna Private Limited. It is *inter-alia* involved in the business of manufacturing, processing and trading of proteins, milk products and chemicals.

In terms of its Memorandum of Association, it is, *inter-alia*, carrying on the business of a Milk Protein, Casein, Casein Hydrsyalte, Cellulase Powder, Chemicals and other Allied products. To process, produce, mix, pack, preserve, freeze, extract, refine, manufacture, import, export, buy, sell, trade and deal in above products in and outside India.

Interest of Promoters:

Our Promoters do not have any interest in Om Manufacturing Jalna Private Limited.

Audited Financial information:

(₹ in Million)

Particulars	Year Ending March 31, 2015	Year Ending March 31, 2014	Year Ending March 31, 2013
Authorised Capital.	1.00	1.00	1.00
Paid-up Equity Capital.	0.10	0.10	0.10
Reserves & Surplus.	2.13	2.04	1.22
Sales/Income.	22.58	35.84	30.92
Profit/(Loss) after tax.	0.09	0.83	1.22
Earnings per share (₹).	8.91	82.67	121.66
Net Asset Value per equity share (₹).	223.23	214.32	131.66

Loss Making Entities:

Atharva Clean Energy Private Limited

Corporate Information:

Atharva Clean Energy Private Limited was incorporated on July 20, 2010 under the provisions of Companies Act, 1956 as Advanced Bio-Proteins Limited in Maharashtra.

In terms of its Memorandum of Association, it is, *inter-alia*, carrying on the business activities for manufacturing, distributing, generating, transmitting, supplying, transforming, converting, processing, designing, developing, store supervising and controlling all forms of energy and any such products and by-products derived from such businesses

including but not limited to mechanical, hydraulic, gas, wind farms, steam, solar, biological, biogas and coal bed methane and any other form of renewal energy. It also carries on all business of purchasers, creators, generators, manufacturers, producers, procurers, suppliers, distributors, converters, processors, developers, storers, carriers and dealers in, design or otherwise acquire to use, sell, transfer or otherwise dispose of electricity, steam, hydro or tidal, water, wind, solar, hydrocarbon fuels, fuel handling equipments and machinery and fuel handling facilities thereto and any products or by-products derived from such businesses derived from such business (including without limitation distillate fuel oil and natural gas whether in liquefies or vaporized form), or other energy of every kind and description and stoves, cookers, heaters, geysers, biogas, plants, gas and steam turbines, boilers, generators, alternators, diesel generating sets and other energy devices and appliances of every kind and description.

Interest of Promoters:

Our Promoter, Mr. Chandrakant Laxminarayan Rathi directly holds 5000 shares of ₹10/- aggregating to 10% of the issued and paid up share capital of Atharva Clean Energy Private Limited.

Audited financial information:

(₹ in Million)			
Particulars	Year Ending March 31, 2015	Year Ending March 31, 2014	Year Ending March 31, 2013
Authorised Capital.	1.00	1.00	1.00
Paid-up Equity Capital.	0.50	0.50	0.50
Reserves & Surplus.	(0.17)	(0.13)	(0.04)
Sales/Income.	(0.03)	0.16	-
Profit/(Loss) after tax.	(0.04)	(0.09)	(0.02)
Earnings per share (₹) (Basic & Diluted).	(0.79)	(1.80)	(0.33)
Net Asset Value per equity share (₹).	6.54	7.33	9.13

Atharva Green Ecotech LLP

Corporate Information:

Atharva Green Ecotech LLP was incorporated on July 28, 1993 under the provisions of Companies Act, 1956 as Super Biochemicals Private Limited in Maharashtra. Thereafter, its name was changed to Atharva Capital Ventures Private Limited and was further changed to Atharva Green Ecotech Private Limited and it is now known as Atharva Green Ecotech LLP.

In terms of its LLP Agreement dated June 14, 2016, it is, inter-alia, carrying on the business of exploring, developing and deploying knowledge, know-how, skills, methods, processes, and competencies and technologies that can be applied for sustainable business development as well as to provide consultancy services in the field of marketing, sale and/or production of products & services and in development of technologies, technical know- how, skills, methods and processes.

Name of Partners and their contribution

1. Mr. Chandrakant Laxminarayan Rathi (34.00%)
2. Mrs. Savita Laxminarayan Rathi (20.41%)
3. Ms. Radhika Chandrakant Rathi (16.82%)
4. Mr. Piyush Chandrakant Rathi (21.60%)
5. Mr. Mushtaque Patel, nominee of Natural Barter Private Limited (7.17%)

Interest of Promoters:

Our Promoter, Mr. Chandrakant Laxminarayan Rathi has contributed ₹ 28,44,620/- aggregating to 34.00 % in Atharva Green Ecotech LLP and is interested in the profits and losses thereof to that extent.

Audited financial information*:

(₹ in Million)

Particulars	Year Ending March 31, 2016	Year Ending March 31, 2015	Year Ending March 31, 2014
Authorised Capital.	20.00	20.00	20.00
Paid-up Equity Capital.	8.37	8.07	8.07
Reserves & Surplus.	37.39	47.18	45.67
Sales/Income.	4.26	1.68	3.94
Profit/(Loss) after tax.	(12.19)	1.48	3.74
Earnings per share (₹) (Basic & Diluted).	(14.81)	1.87	4.81
Net Asset Value per equity share (₹).	54.68	68.48	66.61

* - Audited Financial Information presented above is of Atharva Green Ecotech Private Limited, which has been converted into Atharva Green Ecotech LLP in terms of the LLP Agreement dated June 14, 2016.

Chandrakant Rathi Innovations and Projects Private Limited

Details of Chandrakant Rathi Innovations and Projects Private Limited are disclosed on page 223 of this chapter titled “Our Group Companies” under the section on details of the largest five unlisted Group Companies.

Related Party Transactions

For details on related party transactions please refer to “Financial Statements- Annexure XXXII- Consolidated Statement of Related party disclosures, as restated” and “Financial Statements- Annexure XXX- Unconsolidated Statement of Related party disclosures, as restated” on pages 264 and 312 of this RHP.

Other disclosures:

Except as disclosed in this chapter, none of our Group Companies have remained defunct and no application has been made to the Registrar of Companies for striking off the name of any of our Group Companies during the five years preceding the date of filing the DRHP with SEBI.

None of our Group Companies are under any winding up proceedings.

As on March 31, 2016, none of our other Group Companies have taken any unsecured loans from our Company.

Except as disclosed in the chapter titled “Objects of the Offer”, no part of the Net Proceeds are payable to the Group Companies.

Except Indergiri Finance Limited, the equity shares of our Group Companies are not listed on any of the Stock Exchanges and they have not made any public/rights issue in last five years. Further, no action has been taken against these companies by any Stock Exchange or SEBI.

None of our group companies are sick companies within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and are not under the Board for Industrial and Financial Reconstruction. Further, they are not under winding up.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against our Group Companies.

Companies with negative net worth

Except as stated hereinabove, none of our Group Companies have negative Net Worth as per the last audited financial statements mentioned herein.

Defunct Group Companies

Our Promoters had incorporated a company known as “Rathi Papains Private Limited” on March 1, 1978. Since, Rathi Papains Private Limited ceased to conduct business, an application was made to the Registrar of Companies, Mumbai under the Easy Exit Scheme, 2011 for striking off the name of the company and the same has been struck off by the Registrar of Companies.

Nature and Extent of Interest of Group Companies

(a) *In the promotion of our Company*

None of our Group Companies have any interest in the promotion of our Company.

(b) *In the properties acquired or proposed to be acquired by our Company in the past 2 years before filing the DRHP with SEBI*

Our Group Companies do not have any interest in the properties acquired or proposed to be acquired by our Company in the past 2 years before filing the DRHP with SEBI.

(c) *Related Business Transactions within the Group Companies and Significance on the Financial Performance of our Company*

For details, please see “Financial Statements- Annexure XXXII- Consolidated Statement of Related party disclosures, as restated” and “Financial Statements- Annexure XXX- Unconsolidated Statement of Related party disclosures, as restated” on pages 264 and 312 of this RHP.

Common Pursuits amongst the Group Companies with our Company

The Group Companies do not have interest in any venture that is involved in any activities similar to those conducted by our Company. Our Group Company, Advanced Vital Enzymes Private Limited has some of the objects similar to that of our Company’s business. Our Promoter, Mr Chandrakant Laxminarayan Rathi and our Company have entered into a Non-compete Agreement dated March 16, 2013 with the aforesaid Advanced Vital Enzymes Private Limited in order to avoid any conflict of interest, which may be envisaged on account of the above which was further revised and modified vide another Non-compete Agreement dated January 13, 2016. As on the date of filing of this RHP, the aforesaid entity is not carrying any business competing with that of our Company.

Sale/Purchase between Group Companies and Subsidiaries exceeding in value in aggregate of 10% of total sales or purchases of our Company

For details, please see the “Financial Statements- Annexure XXXII- Consolidated Statement of Related party disclosures, as restated” and “Financial Statements- Annexure XXX- Unconsolidated Statement of Related party disclosures, as restated” on pages 264 and 312 of this RHP.

Payment of Amount or Benefits to our Group Companies during the Last Two Years

Except as mentioned “Financial Statements- Annexure XXXII- Consolidated Statement of Related party disclosures, as restated” and “Financial Statements- Annexure XXX- Unconsolidated Statement of Related party disclosures, as restated” on pages 264 and 312 of this RHP, no amount or benefits were paid or were intended to be paid to our Group Companies during the last two years from the date of filing of this RHP.

Business Interest of Group Entities

Other than as stated above and as mentioned in “Financial Statements- Annexure XXXII- Consolidated Statement of Related party disclosures, as restated” and “Financial Statements- Annexure XXX- Unconsolidated Statement of Related party disclosures, as restated” on pages 264 and 312 of this RHP, none of our Group Entities have any business interest in our Company.

DIVIDEND POLICY

Our Company does not have a formal dividend policy. The declaration and payment of dividends, if any, will be recommended by our Board of Directors and approved by our shareholders, at their discretion, subject to the provisions of the Articles of Association and the Companies Act. The dividends, if any, will depend on a number of factors, including but not limited to our earnings, capital requirements and overall financial position of our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including the results of operations, financial condition, contractual restrictions, restrictive covenants under the loan or financing arrangements we may enter into to finance our various projects and also the fund requirements for our projects. For further details, please refer to Annexure XXXII of our Unconsolidated Financial Information, as restated, in the section titled “Financial Information” beginning on page 230 of this RHP. Our Company may also, from time to time, pay interim dividends.

The dividends declared by our Company on the Equity Shares in each of the Fiscal 2016, 2015, 2014, 2013, and 2012 as per our unconsolidated financial information, as restated are as given below:

Particulars	Fiscal 2016*	Fiscal 2015	Fiscal 2014	Fiscal 2013	Fiscal 2012
Face value per Equity Share (in ₹)	10.00	10.00	10.00	10.00	10.00
Dividend (in ₹ mn)	21.77	10.88	10.88	32.65	20.73
Dividend (in ₹ per Equity Share)	1.00	0.50	0.50	1.50	1.00
Dividend Tax (in ₹ mn)	3.97	1.18	1.44	5.14	3.36
Equity Share Capital (in ₹ mn)	217.66	217.66	217.66	217.66	207.32
Rate of dividend (%)	10.00%	5.00%	5.00%	15.00%	10.00%

The amount paid as dividends in the past is not necessarily indicative of the dividend policy or dividend amount, if any, in the future. There is no guarantee that any dividends will be declared or paid or that the amount thereof will not decrease in the future.

**The Board of Directors in its meeting held on March 26, 2016, had declared an interim dividend of ₹1 per share (10%) amounting to ₹21.77 million.*

SECTION VI - FINANCIAL INFORMATION

FINANCIAL STATEMENTS

S. No.	Details	Page No.
1.	Consolidated Financial Information, as restated	231
2.	Unconsolidated Financial Information, as restated	270

To,
The Board of Directors,
Advanced Enzyme Technologies Limited
Sun Magnetica, 5th floor,
Near LIC Service Road,
Louiswadi, Thane(W) - 400 604.

Auditors' Report on Consolidated Financial Information, as restated in connection with the proposed issue of equity shares of Advanced Enzyme Technologies Limited ("the Company")

Dear Sirs,

1. We have examined the attached consolidated financial information comprising of Consolidated Summary Statement of Assets and Liabilities, as restated, Consolidated Summary Statement of Profit and Loss, as restated, Consolidated Statement of Cash Flows, as restated, (collectively referred as "Consolidated Financial Information, as restated") as at and for the years ended March 31, 2016, 2015, 2014, 2013 and 2012, and consolidated other financial information (as described more in detail in paragraph 4(e) below, referred as "consolidated other financial information") for the years then ended of the Company and its subsidiaries (collectively, the "Group"), as approved by the Board of Directors of the Company, prepared by Company's management in terms of the requirements of Section 26(1)(b) of the Companies Act, 2013 ("the Act") read with rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Part (B) of Item (IX) of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended to date ("SEBI Regulations") and in terms of our engagement agreed upon with you in accordance with our engagement letter dated October 09, 2015 and the Guidance Note on 'Reports in Company's Prospectus (Revised)' issued by the Institute of Chartered Accountants of India, for the purpose of inclusion in the Red Herring Prospectus, in connection with the proposed issue of equity shares of the Company.
2. Financial information has been prepared by the Company's management from the audited consolidated financial statements for the years ended March 31, 2016, 2015, 2014, 2013 and 2012.

Audit of the financial statements of the subsidiaries for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 reflecting total assets of Rs. 2,487.76 million, Rs. 2,296.91 million, Rs. 2,205.87 million, Rs. 1,911.26 million and Rs. 107.88 million as at March 31, 2016, 2015, 2014, 2013 and 2012 respectively, total revenue of Rs. 2,154.85 million, Rs. 1,590.80 million, Rs. 1,644.94 million, Rs. 802.71 million and Rs. 222.99 million for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 respectively and net cash flows aggregating to Rs. 213.95 million, Rs. 53.84 million, Rs. (9.69) million, Rs. (1.80) million and Rs. (3.80) million for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 respectively was conducted by other auditors. We and other auditors did not examine the financial information of the subsidiaries for the above mentioned reporting periods. These financial information have been prepared by the management of the Company and our opinion in so far as it relates to the amounts included in the Consolidated Financial Information, as restated, is based solely on the representation made by Company's management.

We and any other auditors did not audit the financial statements and examine the financial information of one of the subsidiaries, for the period April 01, 2013 to January 03, 2014, whose financial statements reflect total assets of Rs. Nil, total revenue of Rs. Nil and net cash flows aggregating to Rs. (1.15) million. The financial information of such subsidiary has been prepared by the management of the Company, and our opinion in so far as it relates to the amounts included in these Consolidated Financial Information, as restated is based solely on the representation made by Company's management.

The Company's management has also confirmed that the Consolidated Financial Information, as restated and consolidated other financial information for the subsidiaries not examined by us and other auditors:

- a. Has been made after incorporating adjustments for the changes, if any, in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods.
 - b. Has been made after incorporating adjustments for the material amounts in the respective financial years to which they relate.
 - c. And do not contain extra-ordinary items other than those disclosed separately and do not contain qualification requiring adjustments.
3. We and any other auditors have not examined any consolidated financial information of the Group as of any date or for any period subsequent to March 31, 2016. Accordingly, we do not express any opinion on the consolidated financial position, results of operations or cash flows as of any date or for any period subsequent to March 31, 2016.
 4. In accordance with the requirements of Section 26(1)(b) of the Act, the SEBI Regulations and the terms of our engagement agreed with you, we further report that:
 - a. The Consolidated Summary Statement of Assets and Liabilities, as restated, of the Group as at March 31, 2016, 2015, 2014, 2013 and 2012 examined by us, as set out in Annexure I to this report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in Statement of Notes to the Consolidated Financial Information, as restated, in Annexure IV(6).
 - b. The Consolidated Summary Statement of Profit and Loss, as restated, of the Group for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 examined by us, as set out in Annexure II to this report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in Statement of Notes to the Consolidated Financial Information, as restated, in Annexure IV(6).
 - c. The Consolidated Statement of Cash Flows, as restated, of the Group for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 examined by us, as set out in Annexure III to this report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in Statement of Notes to the Consolidated Financial Information, as restated, in Annexure IV(6).
 - d. Based on the above and representation made by the Company's management for the subsidiaries not examined by us and other auditors, we are of the opinion that the Consolidated Financial Information, as restated:
 - i. Has been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods.

- ii. Has been made after incorporating adjustments for the material amounts in the respective financial years to which they relate.
- iii. And do not contain extra-ordinary items and do not contain any qualification requiring adjustments.
- e. We have also examined the following “consolidated other financial information” prepared by the Company’s management and approved by the Board of Directors, relating to the Group, for the years ended March 31, 2016, 2015, 2014, 2013 and 2012.
 - i. Consolidated Statement of Accounting and other ratios, as restated, Annexure XXXI.
 - ii. Consolidated Statement of Related Party disclosures, as restated, Annexure XXXII.
 - iii. Consolidated Statement of Capitalisation, Annexure XXXIII.
 - iv. Statement of Dividend declared by the Company, Annexure XXXIV.

In our opinion the Consolidated Financial Information, as restated, and consolidated other financial information contained in Annexure XXXI to XXXIV of this report read along with the Statement of Notes to the Consolidated Financial Information, as restated in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with Section 26(1)(b) of the Act and SEBI Regulations.

- 5. This report should not be in any way construed as a re-issuance or re-dating of any of the previous audit reports issued by other auditors or by us nor should it be construed as a new opinion on any of the consolidated financial statements referred to therein.
- 6. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- 7. Our report is intended solely for use of the Company’s management in connection with the proposed issue of equity shares of the Company. Our report should not be used for any other purpose except with our consent in writing.

For **Walker Chandiok & Co LLP**
(formerly *Walker, Chandiok & Co.*)
Chartered Accountants
Firm Registration No:001076N/N500013

Sudhir N. Pillai
Partner
Membership No.: 105782

Place: Mumbai
Date:29 June 2016

Particulars	Annexure	As at March 31,				
		2016	2015	2014	2013	2012
Equity and liabilities						
Shareholders' funds						
(a) Share capital	V	217.66	217.66	217.66	217.66	207.32
(b) Reserves and surplus	VI	2,569.61	1,882.68	1,445.99	1,401.98	752.34
Minority interest	VII	53.51	44.54	36.27	23.59	15.85
Non-current liabilities						
(a) Long-term borrowings	VIII	387.52	540.01	875.42	1,166.84	1,393.43
(b) Deferred tax liabilities (net)	IX	173.88	147.69	128.15	133.17	56.74
(a) Long-term provisions	XIII	1.75	-	-	-	-
Current liabilities						
(a) Short-term borrowings	X	296.34	236.49	390.69	337.20	359.77
(b) Trade payables	XI					
total outstanding dues to micro and small enterprises		1.87	1.45	1.62	5.05	5.51
total outstanding dues to others		121.50	115.02	102.37	164.32	176.88
(c) Other current liabilities	XII	584.71	823.47	595.65	426.20	442.47
(d) Short-term provisions	XIII	108.15	171.91	288.94	87.46	79.78
Total		4,516.50	4,180.92	4,082.76	3,963.47	3,490.09
Assets						
Non current assets						
(a) Fixed assets						
Tangible assets		1,143.68	1,111.04	1,149.28	1,157.34	496.30
Goodwill on consolidation		1,710.40	1,710.40	1,710.40	1,707.66	1,547.18
Capital work in progress		18.37	53.34	23.96	20.94	602.29
Intangible assets		0.53	0.06	0.13	0.17	0.63
Intangible assets under development		61.96	49.54	11.34	-	-
(b) Non-current investments	XIV	0.62	0.62	0.62	0.62	0.62
(c) Deferred tax assets (net)	XV	2.04	59.88	89.09	1.96	-
(d) Long-term loans and advances	XVI	180.44	160.34	167.74	139.44	119.63
(e) Other non-current assets	XVII	1.27	0.37	1.08	1.01	0.89
Current assets						
(a) Inventories	XVIII	604.92	526.33	499.34	445.86	290.76
(b) Trade receivables	XIX	417.97	370.08	323.70	390.68	326.57
(c) Cash and bank balances	XX	263.14	43.37	26.48	36.96	52.97
(d) Short-term loans and advances	XVI	44.70	87.83	72.42	54.64	40.55
(e) Other current assets	XXI	66.46	7.72	7.18	6.19	11.70
Total		4,516.50	4,180.92	4,082.76	3,963.47	3,490.09

Note:

The above statement should be read with the Statement of Notes to the Consolidated Financial Information, as restated of the Group in Annexure IV.

As per our report of even date attached

For Walker Chandiok & Co LLP

(formerly Walker, Chandiok & Co)

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sudhir N. Pillai

Partner

Membership No: 105782

Place : Mumbai

Date : 29 June 2016

For and on behalf of board of directors**Savita Rathi**

Director

DIN : 00365717

Beni. P. Rauka

Chief Financial Officer

Place : Thane

Date : 27 June 2016

Kedar Desai

Director

DIN : 00322581

Prabal Bordiya

Company Secretary

Advanced Enzyme Technologies Limited
Annexure II: Consolidated Summary Statement of Profit and Loss, as restated

Rs. in million

Particulars	Annexure	For the year ended March 31,				
		2016	2015	2014	2013	2012
Revenue						
Revenue from operations	XXII	2,937.62	2,231.08	2,394.50	2,204.18	1,717.41
Other income	XXIII	8.75	11.61	10.31	36.97	31.37
Total revenue		2,946.37	2,242.69	2,404.81	2,241.15	1,748.78
Expenses						
Cost of materials consumed	XXIV	667.01	477.81	578.56	595.40	514.95
Purchase of traded goods		3.06	2.12	-	-	-
Changes in inventories of finished goods, work-in-progress and traded goods	XXV	(79.92)	(2.73)	(107.99)	(84.08)	(36.76)
Employee benefit expenses	XXVI	445.04	360.98	328.78	269.65	202.29
Finance costs	XXVII	78.56	92.55	131.93	95.54	122.38
Depreciation and amortisation expense	XXVIII	87.19	90.17	98.66	75.45	54.98
Other expenses	XXIX	520.11	484.30	557.38	527.61	414.13
Total expenses		1,721.05	1,505.20	1,587.32	1,479.57	1,271.97
Profit before tax and exceptional items		1,225.32	737.49	817.49	761.58	476.81
Exceptional items	XXX	-	-	539.98	-	-
Profit before tax		1,225.32	737.49	277.51	761.58	476.81
Tax expense						
Current tax		364.77	195.57	174.51	234.95	158.44
MAT credit entitlement		(18.53)	(19.11)	(18.36)	(50.33)	(5.00)
Deferred tax		85.76	51.68	(92.18)	74.19	(13.29)
		432.00	228.14	63.97	258.81	140.15
Profit after tax before Minority interest		793.32	509.35	213.54	502.77	336.66
Less: Share of Minority interest	VII	8.97	8.33	12.68	10.58	3.30
Profit after tax		784.35	501.02	200.86	492.19	333.36

Note:

The above statement should be read with the Statement of Notes to the Consolidated Financial Information, as restated of the Group in Annexure IV.

As per our report of even date attached

For Walker Chandiok & Co LLP

(formerly Walker, Chandiok & Co)

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sudhir N. Pillai

Partner

Membership No: 105782

Place : Mumbai

Date : 29 June 2016

For and on behalf of board of directors

Savita Rathi

Director

DIN : 00365717

Beni. P. Rauka

Chief Financial Officer

Place : Thane

Date : 27 June 2016

Kedar Desai

Director

DIN : 00322581

Prabal Bordiya

Company Secretary

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
A. Cash flows from operating activities					
Profit before tax, as restated	1,225.32	737.49	277.51	761.58	476.81
Adjustments for non-cash transactions					
Depreciation and amortisation	87.19	90.17	98.66	75.45	54.98
Fixed assets written off	-	3.94	-	-	5.05
(Profit)/ Loss on sale of fixed assets	0.08	(1.54)	0.51	-	0.16
Allowances for bad and doubtful trade receivables/advances	-	-	1.20	-	-
Bad and doubtful trade receivables written off	2.09	1.63	1.64	0.15	0.57
Bad and doubtful advances / deposits written off	-	-	3.50	1.57	2.16
Excess provision written off/ (back)	(0.06)	1.56	-	0.26	0.19
Sundry balances written off/ (back)	0.36	(0.05)	3.60	1.48	(3.94)
Unrealised foreign exchange (gain) / loss	(2.09)	4.09	18.90	(0.18)	(1.71)
Restatement adjustments	-	-	-	-	(4.39)
Items considered separately					
Interest income	(4.63)	(4.43)	(5.92)	(6.09)	(8.55)
Interest expenses	66.69	79.60	89.31	90.41	117.08
Operating profit before working capital changes	1,374.95	912.46	488.91	924.63	638.41
Changes in working capital					
Increase / (decrease) in other current liabilities and provisions	54.25	(100.84)	222.48	(51.56)	76.24
Increase / (decrease) in trade payables	7.26	12.85	(64.92)	(13.15)	101.20
(Increase) / decrease in inventories	(78.59)	(26.99)	(53.47)	(155.11)	(112.07)
(Increase) / decrease in trade receivables	(50.39)	(50.28)	62.08	(64.26)	(100.04)
(Increase) / decrease in short term loans and advances	(7.97)	28.07	(32.93)	(11.58)	3.24
(Increase) / decrease in other non-current assets	-	-	0.01	(0.01)	-
(Increase) / decrease in other current assets	(17.80)	0.14	(0.37)	(0.26)	-
(Increase) / decrease in long term loans and advances	16.02	27.49	4.61	36.37	3.76
Cash generated from operating activities	1,297.73	802.90	626.40	665.07	610.74
Income taxes paid	(270.30)	(263.91)	(193.85)	(254.12)	(124.82)
Net cash generated from operating activities	1,027.43	538.99	432.55	410.95	485.92
B. Cash flows from investing activities					
Purchase of tangible assets including capital work-in progress and capital advances	(133.36)	(87.86)	(94.93)	(150.68)	(344.19)
Proceeds from sale of tangible assets	0.31	4.32	0.40	-	0.06
Purchase of intangible assets	(0.63)	-	-	(0.17)	-
Movement in goodwill on consolidation	-	-	(2.74)	(160.48)	(1,547.18)
Expenditure on intangible assets under development	(12.42)	(38.20)	(11.34)	-	-
(Placement)/Redemption of fixed deposits with maturity of more than 12 months (net)	(0.90)	0.72	(0.08)	(0.12)	(0.87)
(Placement)/Redemption of fixed deposits with maturity more than 3 months but less than 12 months (net)	0.80	2.66	(0.74)	(2.32)	0.61
Interest received	7.17	8.96	4.83	5.88	4.40
Net cash (used in) investing activities	(139.03)	(109.40)	(104.60)	(307.89)	(1,887.17)

Annexure III: Consolidated Statement of Cash Flows, as restated

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
C. Cash flows from financing activities					
Proceeds from issue of share capital	-	-	-	299.98	-
(Repayment of)/ proceeds from long-term borrowings (net)	(576.39)	(107.71)	(139.79)	(187.44)	1,321.06
(Repayment of)/ proceeds from short-term borrowings (net)	62.04	(154.20)	53.49	(22.56)	92.19
Purchase of minority interest	-	(0.06)	-	(2.84)	-
Interest paid	(75.19)	(88.27)	(70.90)	(90.41)	(117.08)
Dividends paid (including dividend tax)	(26.55)	(17.52)	(39.76)	(28.64)	(12.10)
Net cash (used in) / generated from financing activities	(616.09)	(367.76)	(196.96)	(31.91)	1,284.07
Net (decrease) / increase in cash and cash equivalents (A +B + C)	272.31	61.83	130.99	71.15	(117.18)
Cash and cash equivalents as at the beginning of the year	42.54	22.99	34.21	52.54	147.74
Effect of exchange rate changes	(51.74)	(42.28)	(142.21)	(89.48)	21.98
Cash and cash equivalents as at the end of the year*	263.11	42.54	22.99	34.21	52.54
* Composition of cash and cash equivalents					
Cash on hand	0.61	0.53	0.65	0.50	0.82
Balance with banks :					
Current accounts	249.87	38.94	13.35	25.61	48.51
Fixed deposit accounts with maturity less than 3 months	2.48	2.62	8.20	7.62	2.86
Other bank balances	10.15	0.45	0.79	0.48	0.35
	263.11	42.54	22.99	34.21	52.54

Notes:

1) The above statement should be read with the Statement of Notes to the Consolidated Financial Information, as restated of the Group in Annexure IV.

2) The cash flow statement has been prepared under indirect method as set out in Accounting Standard 3, 'Cash Flow Statement' as notified by the Central Government under the Companies Act, 2013.

As per our report of even date attached

For Walker Chandiok & Co LLP

(formerly Walker, Chandiok & Co)

Chartered Accountants

Firm's Registration No.: 001076N/N500013

For and on behalf of board of directors

Savita Rathi

Director

DIN : 00365717

Kedar Desai

Director

DIN : 00322581

Sudhir N. Pillai

Partner

Membership No: 105782

Beni. P. Rauka

Chief Financial Officer

Prabal Bordiya

Company Secretary

Place : Mumbai

Date : 29 June 2016

Place : Thane

Date : 27 June 2016

Background

Advanced Enzyme Technologies Limited (herein referred to as ‘the Parent Company’ or the ‘the Company’) together with its subsidiaries (together referred to as ‘the Group’) is engaged in the business of manufacturing and sales of enzymes.

1 Basis of preparation of financial statements

“The Consolidated Summary Statement of Assets and Liabilities, as restated of the Group as at March 31, 2016, 2015, 2014, 2013 and 2012, the Consolidated Summary Statement of Profit and Loss, as restated and the Consolidated Summary Statement of Cash Flows, as restated for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 and the annexures thereto (herein collectively referred to as ‘Consolidated Financial Information, as restated’) have been compiled by the management from the then audited consolidated financial statements of the Group for the years ended March 31, 2016, 2015, 2014, 2013 and 2012. The audited consolidated financial statements of the Group have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) to comply in all material respects with the accounting standards specified under Section 133 of the Companies Act, 2013 (the “Act”) read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act/ Companies Act, 1956, as applicable. The audited consolidated financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Group and are consistent with those used for the purpose of preparation of financial statements as at and for the year ended March 31, 2016, except for change in accounting policy detailed in Note 5 in Annexure IV. The Consolidated Financial Information have been prepared to comply in all material respects with the requirements of Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of the Companies Act, 2013, as amended read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended and the relevant provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“the SEBI Guidelines”) issued by SEBI on August 26, 2009 as amended from time to time.”

2 Principles of Consolidation

The Consolidated Financial Information relates to Advanced Enzyme Technologies Limited and its subsidiary companies (collectively called “the Group”). Subsidiary companies have been consolidated as per Accounting Standard on Accounting for Consolidated Financial Statements (AS-21). The Consolidated Financial Information have been prepared on the following basis:

- a The Standalone financial statements of the Parent Company and its subsidiaries have been consolidated on a line by line basis by adding together the like items of assets, liabilities, income and expenses after eliminating intra group balances, intra group transactions and unrealised profits/ losses from the intra group transactions.
- b The excess/ deficit of cost to the respective companies of its investment over its portion of equity in its subsidiaries at the respective dates on which investment was made is recognised in the consolidated financial statements as “Goodwill on consolidation”/ “Capital Reserve”. The Group does not amortize goodwill but instead tests goodwill for impairment at least annually. The fair value of the reporting unit is first compared to its carrying value. If the fair value of the reporting unit exceeds the carrying value of the net assets assigned to that unit, goodwill is not impaired. If the carrying value of the net assets assigned to the reporting unit exceeds the fair value of the reporting unit, then the implied fair value of the reporting unit’s goodwill is compared with the carrying value of the reporting unit’s goodwill. The implied fair value of goodwill is determined in the same manner as the amount of goodwill recognized in a business combination. If the carrying value of a reporting unit’s goodwill exceeds its implied fair value, then an impairment loss equal to the difference is recorded.
- c Minorities’ interest in the net profit / loss of the consolidated subsidiary companies for the year is identified and adjusted against income in order to arrive at the net income attributable to shareholders of the Company. Minorities’ interest in the net assets of consolidated subsidiary companies is identified and presented separately in the Consolidated Financial Information, as restated.
- d Foreign subsidiary - Items of profit and loss have been consolidated at the average rate of foreign exchange prevailing during the year. The assets and liabilities, both monetary and non-monetary, of the non-integral foreign operation are translated at the closing rate. Exchange differences arising on monetary and non-monetary items that in substance form part of the company’s net investments in non-integral foreign operation are accumulated in the Foreign Currency Translation Reserve.
- e As far as possible, the Consolidated Financial Information have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances.
- f Subsidiary companies are consolidated from the date on which effective control is transferred to the Group and are no longer consolidated from the date of disposal.
- g The subsidiary companies considered in the Consolidated Financial Information, as restated are as follows

Name of the Company	Country of incorporation	% of voting power held				
		As at March 31,				
		2016	2015	2014	2013	2012
i. Advanced Bio-Agro Tech Limited	India	60.00%	60.00%	60.00%	60.00%	60.00%
ii. Advanced EnzyTech Solutions Limited	India	100.00%	100.00%	100.00%	100.00%	85.71%
iii. Advanced Enzymes USA, Inc.	USA	100.00%	100.00%	100.00%	100.00%	100.00%
iv. Cal India Foods International (subsidiary of Advanced Enzymes USA, Inc.)	USA	100.00%	100.00%	100.00%	100.00%	100.00%
v. Advanced Supplementary Technologies Corporation (subsidiary of Advanced Enzymes USA, Inc.)	USA	100.00%	100.00%	100.00%	100.00%	-
vi. Enzyme Innovation, Inc. (subsidiary of Cal India Foods International)	USA	100.00%	100.00%	-	-	-
vii. Dynamic Enzymes, Inc. (subsidiary of Advanced Enzymes USA, Inc.)	USA	100.00%	100.00%	-	-	-
viii. Enzyfuel Innovation, Inc. (Wholly owned subsidiary of Advanced Enzymes USA, Inc.)	USA	100.00%	-	-	-	-

Name of the Company	Country of incorporation	% of voting power held				
		As at March 31,				
		2016	2015	2014	2013	2012
ix. Advanced Enzymes Europe B.V.	Netherlands	-	-	100.00%	100.00%	-
x. Advanced Enzyme Fareast Limited	Hong Kong	-	-	-	100.00%	100.00%
xi. Atharva Clean Energy Private Limited (erstwhile Advanced Bio-Proteins Limited)	India	-	-	-	100.00%	100.00%

3 Use of estimates

The preparation of consolidated financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumption that affect the reported amounts of assets and liabilities, revenue and expenses and disclosure of contingent liabilities. The estimates and assumptions used in consolidated financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the consolidated financial statements. Actual results may differ from the estimates and assumptions used in preparing consolidated financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods.

4 Significant accounting policies:

a. Revenue recognition

- Revenue is recognised to the extent that it is probable that economic benefits will flow to the Group and the revenue can be reliably measured.
- Revenue from sale of goods is recognised on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to the customer/agent and no effective ownership is retained. Sales are inclusive of excise duty and net of sales tax and discounts.
- Export incentives received pursuant to the Duty Drawback Scheme and Status holder scrip incentive are accounted on an accrual basis, to the extent it is probable that realisation is certain.
- Interest income is recognised on a time proportionate basis, taking into account the amount outstanding and the rates applicable.
- Income from services rendered is recognised based on agreements with the customers using the proportionate completion method, when services are performed and no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering of service. Income is recognised net of service tax, as applicable.

b. Fixed assets, depreciation and amortisation

- Fixed assets, both tangible and intangible are stated at cost of acquisition. Cost includes taxes, duties, freight and other incidental expenses related to acquisition and installation of the assets. Interest on borrowings to finance acquisition of fixed assets during qualifying period is capitalized.
- Leasehold improvements represent expenses incurred towards civil work and interior furnishings on the leased premises.
- Costs relating to acquisition of technical know-how and software are capitalized as Intangible Assets. Further, the revenue expenditure incurred for the development of product dossiers are grouped under "Intangible assets under development" to the extent such expenditure meet the criteria of Intangible Asset as defined in Accounting Standard (AS) 26.
- Upto March 31, 2014 with respect to the entities incorporated in India, the depreciation on the tangible fixed assets other than plant and equipment has been provided on Written Down Value Method at the rates and in the manner prescribed in Schedule XIV of Companies Act, 1956 and on Plant and equipment on Straight Line Method with reference to managements' assessment of the depreciation rates or at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956, whichever is higher.

From April 1, 2014 with respect to the entities incorporated in India, the Group has reviewed its policy for providing depreciation on its tangible fixed assets and has also reassessed their useful lives as per Part C of Schedule II of the Companies Act, 2013. The revised useful lives, as assessed by the management, match those specified in Part C of Schedule II of the Companies Act, 2013, for all classes of tangible assets.

Depreciation on tangible fixed assets other than Plant and equipment has been provided on Written Down Value method and on Plant and equipment on Straight Line Method.

- Leasehold improvements and leasehold land are depreciated over the unexpired primary period of lease except for lease hold land acquired under perpetual lease.
- Intangible Assets that are ready for use are amortized on a straight line basis over a period of four years.
- Tangible assets of subsidiaries incorporated in USA are depreciated over the estimated useful life of the assets using the straight-line method. The estimated useful lives of assets are as follows:

Equipment (office and machinery)	5 years
Computer equipment and software	3 years
Furniture and fixtures	5 years
- Capital work in progress includes fixed assets not ready for their intended use and related incidental expenses and attributable interest.
- Items of fixed assets that are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss.

c. Investments

Investments are classified into long-term investments and current investments. Long-term investments are carried at cost. Provision for diminution in the value of long-term investments is not provided for unless it is considered other than temporary. Current investments are valued at lower of cost and net realisable value.

d. Foreign currency transactions

- i. Initial Recognition - Transactions denominated in foreign currencies are recorded at the rates of exchange prevailing on the date of the transaction.
- ii. Conversion - Monetary assets and liabilities denominated in foreign currency are converted at the rate of exchange prevailing on the date of the Balance Sheet. Non-monetary assets and liabilities denominated in foreign currency are reported at the rate of exchange prevailing on the date of transaction.
- iii. Exchange differences - All exchange differences arising on settlement/conversion on foreign currency transactions are included in the Consolidated Statement of Profit and Loss in the year in which they arise.

e. Derivative instruments

- i. The Group limits the effects of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Group enters into forward exchange contracts, where the counterparty is a bank.
- ii. As per Accounting Standard ('AS') 11 - The Effects of Changes in Foreign Exchange Rates', the premium or the discount on forward exchange contracts not relating to firm commitments or highly probable forecast transactions and not intended for trading or speculation purpose is amortized as expense or income over the life of the contract. All other derivatives, which are not covered by AS 11, are measured using the mark-to-market principle and losses, if any, are recognised in the Consolidated Statement of Profit and Loss.

f. Impairment of assets

In accordance with Accounting Standard (AS) 28 on 'Impairment of Assets', the carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of the assets or where applicable, that of the cash generating unit to which the asset belongs is estimated as the higher of its net selling price and its value in use. An impairment loss is recognized whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment loss is recognized in the Consolidated Statement of Profit and Loss or against revaluation surplus, as applicable.

g. Inventories

- i. Inventories of stores, spares, packing materials, raw materials, finished goods, traded goods and work-in-progress are valued at lower of cost or net realisable value.
- ii. Cost of finished goods, traded goods and work-in-progress is determined by considering materials, labour and other related costs incurred in bringing the inventories to their present condition and location.

Cost of raw materials, stores, spares and packing materials is determined on first-in-first-out basis except in case of Advanced EnzyTech Solutions Limited, where it is determined on weighted average cost basis. The stock of not ordinarily interchangeable raw materials is determined on their specific individual costs.

Cost of finished goods (including traded goods) and work-in-progress is determined on the following basis:

In case of Parent Company - on specific identification method basis;

In case of Advanced Enzymes USA, Inc. (including its subsidiaries) - on weighted average cost basis; and

In case of Advanced Bio-Agro Tech Limited and Advanced EnzyTech Solutions Limited - on first-in-first-out basis.

h. Employee benefits

- i. All short-term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.
- ii. Defined contribution plans

For the entities incorporated in India, the Group contributes to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 that is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which the employee renders services.

Superannuation benefits, a defined contribution plan, have been funded with Life Insurance Corporation of India and the contribution is charged to Consolidated Statement of Profit and Loss, when the contribution to the fund is due.

For the entities incorporated in USA, the companies contributed towards the pension cum retirement benefit plan in accordance with 401(k) of the Internal Revenue Code and the contribution paid or payable is recognised as an expense in the period in which the employee renders services.

- iii. Defined benefit plans

For the entities incorporated in India, the Group provides for gratuity benefit and leave encashment, which are defined benefit plans, covering all its eligible employees. Liability towards gratuity benefits and leave encashment is determined on actuarial valuation done by Life Insurance Corporation of India (LIC) during the year, based upon which the Group contributes to the schemes with LIC. The Group also provides for the additional liability over the amount determined by LIC based on an actuarial valuation done by an independent actuary as at the balance sheet date and actuarial gains/losses are charged to the Consolidated Statement of Profit and Loss.

The short-term provision for leave encashment has been calculated on undiscounted basis, based on the balance of leave available over and above the maximum accumulation allowed as per the Company policy.

i. Income taxes**Current tax**

Current income tax expense comprises of taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Deferred tax

Deferred tax is recognised on timing differences, being the difference between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the entity has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that such deferred tax assets can be realized against future taxable profits.

At each balance sheet date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in a period is charged to the Consolidated Statement of Profit and Loss as current tax. The Group recognises MAT credit available as an asset when it is probable that the future economic benefits associated with it will flow to the respective company, i.e., the companies will pay normal income tax during the period for which MAT Credit is allowed to be carried forward. In the period in which MAT Credit is recognised as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the Consolidated Statement of Profit and Loss and shown as "MAT Credit Entitlement."

j. Borrowing costs

Borrowing costs incurred on constructing or acquiring a qualifying asset are capitalized as cost of that asset until it is ready for its intended use or sale. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue and recognised as an expense in the Consolidated Statement of Profit and Loss.

k. Research and development costs

Research and development costs incurred for development of products are expensed as incurred, except for development costs that relate to the design and testing of new or improved materials, products or processes, which are recognised as an intangible asset to the extent that it is technically feasible to complete the development of such asset and future economic benefits are expected to be generated from such assets. Capital expenditure on research and development is included as part of fixed assets and depreciated on the same basis as other fixed assets.

l. Provisions and contingencies

The Group creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

m. Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Consolidated Statement of Profit and Loss.

n. Earnings per share

The basic earnings per equity share are computed by dividing the net profit attributable to the equity shareholders for the reporting period by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares, which may be issued on the conversion of all dilutive potential shares, unless the results would be anti dilutive.

o. Cash and cash equivalents

Cash comprises of cash at bank and in hand and cash equivalents comprise of short-term bank deposits with an original maturity of three months or less.

p. Operating cycle

Based on the nature of goods/ activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

5 Change in accounting policy

During the years ended March 31, 2016, 2015 and 2014, the Company had incurred expenditure on toxicity studies, product characterization, identification, evaluation and on technical analysis of data and consultancy services for compilation of product dossiers, for the purpose of registration under European Food Safety Authority (EFSA), which is mandatory requirement for export of food enzymes, food flavorings and additives to European countries. The Company will be permitted to sell its registered products; therefore it is considered as product permits to sell in European market.

From 1 April 2014, the management has changed its policy and has capitalized such expenditure as per Accounting Standard - 26 to the extent it meets the criteria for recognition of Intangible assets. Since the final approvals for product dossiers filed with EFSA are currently awaited, such expenditure had been capitalized as "Intangible assets under development" in the financial statements. However, during the year ended March 31, 2014 such expenses were charged to the Consolidated Statement of Profit and Loss thereby treating it as revenue expenditure under the head Legal and professional charges.

For the purpose of Consolidated Financial Information, as restated, expenses incurred during the year ended March 31, 2014 have been capitalized as "Intangible assets under development".

6 Restatement adjustments, Material regroupings and Non-adjusting items

(a) Impact of restatement adjustments

Below mentioned is the summary of results of restatement adjustments made in the audited consolidated financial statements of the respective years and its impact on profits and losses.

		Rs. in million					
Sr no	Particulars	Note reference	For the year ended March 31,				
			2016	2015	2014	2013	2012
i	Excess provision no longer required written back	6(b)(i)(a)					
	Prior to restatement adjustment		1.67	0.17	0.63	0.31	1.34
	Restatement adjustment		(1.61)	1.39	(0.63)	(0.05)	(1.15)
	As restated		0.06	1.56	-	0.26	0.19
ii	Miscellaneous income	6(b)(i)					
	Prior to restatement adjustment		3.04	18.89	0.97	24.50	16.11
	Restatement adjustment		(2.53)	(16.74)	-	0.98	(0.10)
	As restated		0.51	2.15	0.97	25.48	16.01
iii	Depreciation of tangible assets	6(b)(ii)					
	Prior to restatement adjustment		87.03	90.10	99.77	73.66	53.68
	Restatement adjustment		-	-	(1.15)	1.15	-
	As restated		87.03	90.10	98.62	74.81	53.68
iv	Provision for doubtful debts/ advances	6(b)(iii)					
	Prior to restatement adjustment		-	1.20	-	1.30	1.65
	Restatement adjustment		-	(1.20)	1.20	(1.30)	(1.65)
	As restated		-	-	1.20	-	-
v	Bad debts written off	6(b)(iv)					
	Prior to restatement adjustment		3.71	0.71	1.08	0.12	1.42
	Restatement adjustment		(1.62)	0.92	0.56	0.03	(0.85)
	As restated		2.09	1.63	1.64	0.15	0.57
vi	Miscellaneous expenses	6(b)(v)					
	Prior to restatement adjustment		34.24	23.39	27.88	20.33	12.62
	Restatement adjustment		-	1.17	(1.80)	0.08	2.77
	As restated		34.24	24.56	26.08	20.41	15.39
vii	Legal and professional charges	6(b)(vii)					
	Prior to restatement adjustment		51.36	74.98	85.37	65.51	45.16
	Restatement adjustment		-	-	(11.34)	-	-
	As restated		51.36	74.98	74.03	65.51	45.16

Rs. in million

Sr no	Particulars	Note reference	For the year ended March 31,				
			2016	2015	2014	2013	2012
viii	Share issue expenses written off	6(b)(viii)					
	Prior to restatement adjustment			-	11.23	-	-
	Restatement adjustment		-	-	(9.91)	9.91	-
	As restated		-	-	1.32	9.91	-
ix	Advances/assets written off	6(b)(vi)					
	Prior to restatement adjustment		5.07	1.37	1.61	-	3.94
	Restatement adjustment		(5.07)	(1.37)	1.89	1.57	(1.78)
	As restated		-	-	3.50	1.57	2.16
x	Exceptional items	6 (b)(i)(b) & 6(b)(x)					
	Prior to restatement adjustment		40.96	-	514.32	-	-
	Restatement adjustment		(40.96)	-	25.66	-	-
	As restated		-	-	539.98	-	-
xi	Prior period items	6(b)(ix)					
	Prior to restatement adjustment		-	-	-	-	0.24
	Restatement adjustment		-	-	-	-	(0.24)
	As restated		-	-	-	-	-
xii	Contribution to gratuity, provident fund and other funds	6(b)(xi)					
	Prior to restatement adjustment		29.57	17.72	12.59	12.09	13.83
	Restatement adjustment		-	(4.27)	1.26	1.11	0.96
	As restated		29.57	13.45	13.85	13.20	14.79
xiii	Current tax expense (net of MAT credit entitlement)	6(b)(xii)					
	Prior to restatement adjustment		344.89	182.97	146.87	200.20	137.06
	Restatement adjustment		-	(0.41)	(3.73)	(12.23)	16.38
	Tax impact on restatement item		1.35	(6.10)	13.01	(3.34)	-
	As restated		346.24	176.46	156.15	184.63	153.44
xiv	Deferred tax charge	6(b)(xii)					
	Prior to restatement adjustment		69.46	46.99	(72.40)	64.25	(2.14)
	Deferred tax impact on restatement item		16.30	0.41	(17.15)	11.58	(7.71)
	Restatement adjustment		-	4.28	(2.63)	(1.64)	-
	Deferred tax impact on account of other adjustments		-	-	-	-	(3.44)
xv	As restated		85.76	51.68	(92.18)	74.19	(13.29)
	Profit before tax						
	Prior to restatement adjustment		1,181.80	748.09	284.52	773.19	475.77
	Restatement adjustment		43.50	(10.61)	(6.99)	(11.63)	1.05
	Other adjustment (rounding off)		0.02	0.01	(0.02)	0.03	(0.01)
	As restated		1,225.32	737.49	277.51	761.59	476.81
	Profit after tax before minority interest, as restated (xv-xiii-xiv)		793.32	509.35	213.54	502.77	336.66

Note: A positive figure represent addition and figures in bracket represent deletion to the corresponding head in the audited financial statement for respective reporting period to arrive at the restated numbers.

(b) Explanatory notes for the restatement adjustments

- i a. During the years ended March 31, 2016, 2015, 2014, 2013 and 2012, the Group had written-back excess provision created in the earlier years and sundry balances which were no longer payable. For the purpose of the Consolidated Financial Information, as restated, such amounts have been adjusted to the Consolidated Statement of Profit and Loss of the years in which these provisions and balances were recognised. Further, the opening retained earnings as at April 1, 2011 has been adjusted to reflect the impact of the items pertaining prior to March 31, 2011.
- b. During the year ended March 31, 2015, the Group had recieved insurance claim of Rs. 15.29 million accounted under Other non-operating income pertaining to the litigation filed in the year 2013-2014. For the purpose of the Consolidated Financial Information, as restated, the amount has been adjusted to the product recall expenses classified as Exceptional item in the Consolidated Statement of Profit and Loss of the year ended March 31, 2014.

- ii During the year ended March 31, 2013, certain items of leasehold improvements of the Company were depreciated at the rate used by the Group to depreciate buildings as per the Group's accounting policy instead of depreciating it over the period of lease. For the purpose of the Consolidated Financial Information, as restated, such items have been appropriately adjusted to the Consolidated Statement of Profit and Loss for the year ended March 31, 2013.
- iii During the years ended March 31, 2015, 2013 and 2012, the Group had created Provision for doubtful debts/ advances which pertained to the receivables of earlier years. For the purpose of the Consolidated Financial Information, as restated, these amounts have been adjusted to the respective years in which such receivable was created. Further, the opening retained earnings as at April 1, 2011 has been adjusted to reflect the impact of the items pertaining prior to March 31, 2011.
- iv During the years ended March 31, 2016, 2015, 2014, 2013 and 2012, the Company had written-off bad debts which pertained to the receivables of earlier years. For the purpose of the Consolidated Financial Information, as restated these amounts have been adjusted to the respective years in which such receivable was created. Further, the opening retained earnings as at April 1, 2011 has been adjusted to reflect the impact of the items pertaining prior to March 31, 2011.
- v During the year ended March 31, 2015, 2014, 2013 and 2012, based on intimations/ orders received from various statutory authorities, certain adjustments pertaining to indirect taxes were accounted under the head Miscellaneous expenses which pertained to earlier years. For the purpose of the Consolidated Financial Information, such items have been appropriately adjusted to the respective years to which they relate. Further, opening retained earnings as at April 1, 2011 has been adjusted to reflect the impact of such items incurred prior to March 31, 2011.
- vi During the years ended March 31, 2016, 2015, 2014 and 2012, the Company had accounted certain expenditure on account of status holder incentive scrip being written off to the extent not recoverable/ realisable under the head Miscellaneous expenses which pertained to earlier years. For the purpose of the Consolidated Financial Information, as restated these expenses pertaining to previous year have been charged off to the respective year in which such income was recognised. Further, the opening retained earnings as at April 1, 2011 has been adjusted to reflect the impact of the items pertaining prior to March 31, 2011.
- vii As detailed in Note 5 to Annexure IV, there was a change in accounting policy with respect to capitalisation of the expenditure incurred for registration of product dossier with European Food Safety Authority (EFSA). For the purpose of Consolidated Financial Information, as restated, expenses incurred during the year ended March 31, 2014 have been capitalized as "Intangible assets under development".
- viii During the year ended March 31, 2014, certain Share issue expenses which were disclosed under Other non-current assets were charged to Statement of Profit and Loss. For the purpose of the Consolidated Financial Information, as restated, such items have been appropriately adjusted to the Consolidated Statement of Profit and Loss of the year in which such expenses were incurred i.e. year ended March 31, 2013.
- ix In the audited financial statement for the year ended March 31, 2012, the Company had accounted for certain transactions as prior period items. Accordingly, in the preparation of the Consolidated Financial Information, as restated, the opening retained earnings as at April 1, 2011 has been adjusted to reflect the impact of the items pertaining prior to March 31, 2011.
- x During the year ended March 31, 2016, the Group had accounted for certain expenditure which were in the nature of exceptional items pertaining to product recall expenses based on litigation filed in 2013-14. For the purpose of the Consolidated Financial Information, as restated such items have been appropriately adjusted to the respective year to which it relate i.e. year ended March 31, 2014.
- xi During the year ended March 31, 2015, the management decided to provide additional gratuity benefit to the eligible employees whose gratuity allowances were earlier restricted to monetary limit of Rs. 1.00 million which resulted in an additional charge of Rs. 4.27 million pertaining to earlier years. For the purpose of Consolidated Financial Information, as restated such additional charge has been adjusted to the respective years to which it relates.
- xii Current tax expense and deferred tax charge has been computed on restatement adjustments made as detailed above and has been adjusted in the Consolidated Financial Information, as restated, for the years ended March 31, 2016, 2015, 2014, 2013 and 2012. Further, entries in relation to Current tax expense and deferred tax were passed by the Group to adjust the excess or short provisioning for tax of earlier years. For the purpose of Consolidated Financial Information, as restated such entries have been adjusted in the respective years to which it relates. Also, the opening retained earnings as at April 1, 2011 has been adjusted to reflect the impact of the items pertaining prior to March 31, 2011.
- (c) Restatement adjustments made to the audited opening balance figure of the Surplus in the Consolidated Statement of Profit and Loss as at April 1, 2011:

Rs. in million

Particulars	Amount
Surplus in the Consolidated Statement of Profit and Loss as at April 1, 2011 as per audited financial statements	401.37
Adjustment:	
Excess provisions written back (Refer Note 6(b)(i)(a) above)	1.67
Miscellaneous expenses (Refer Note 6(b)(v) above)	0.71
Provision for doubtful debts/advances (Refer Note 6(b)(iii) above)	(2.95)
Bad debts written off (Refer Note 6(b)(iv) above)	(0.96)
Prior period items (Refer Note 6(b)(ix) above)	(0.24)
Advances/assets written off (Refer Note 6(b)(vi) above)	(4.76)
Contribution to gratuity, provident fund and other funds (Refer Note 6(b)(xi) above)	(0.94)
Current tax expense (net of MAT credit entitlement)(Refer Note 6(b)(xii) above)	(0.01)
Miscellaneous income (Refer Note 6(b)(i) above)	3.09
Surplus in the Consolidated Statement of Profit and Loss as at April 1, 2011 as restated	396.98

(d) Material Regroupings

- i. With effect from April 1 2014, Schedule III notified under the Companies Act, 2013 has become applicable to the Group for preparation and presentation of its consolidated financial statements. Revised Schedule VI notified under the Companies Act, 1956 became applicable to the Group from April 1, 2011, for preparation and presentation of its financial statements. The adoption of Schedule III / Revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. Further, there is no significant impact on the presentation and disclosures made in the financial statements on adoption of Schedule III as compared to Revised Schedule VI.
- ii. Appropriate adjustments have been made in the Consolidated Financial Information, as restated, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited consolidated financial statements of the Group as at and for the year ended March 31, 2016, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).
- iii. Upto the year ended March 31, 2013, the current portion of unsecured borrowings on account of fixed deposits was disclosed under Short-term borrowings. Accordingly, the same has been appropriately disclosed separately under Other current liabilities consistent with other years in the Consolidated Summary of Assets and Liabilities, as restated.
- iv. Upto the year ended March 31, 2014, the current portion of Loans and advances to related parties was disclosed under Short-term loans and advances. Accordingly, the same has been appropriately disclosed separately under Other current assets consistent with other years included in the Consolidated Summary of Assets and Liabilities, as restated.
- v. Upto the year ended March 31, 2013, the MAT credit recoverable was disclosed under Long- term loans and advances as Advance income tax (net of provisions) and in the year ended March 31, 2015 and 2014 it was disclosed separately under Other non-current assets. Accordingly, the same has been appropriately disclosed separately under Long-term loans and advances in the Consolidated Summary of Assets and Liabilities, as restated.
- vi. The Group had received insurance claim of Rs. 15.29 million which was accounted under Other non-operating income. Such claim pertained to the litigation filed in the year 2013-2014 with respect to voluntary recall done by the Group. For the purpose of the Consolidated Financial Information, as restated, such amount has been adjusted to the Product recall expenses classified as Exceptional item in the Consolidated Statement of Profit and Loss of the year ended March 31, 2014.
- vii. During the year ended March 31, 2012, a carrier carrying the sale consignment met with a road accident and the resultant loss of Rs. 1.51 million was disclosed as extraordinary item which was subsequently recovered through the insurance claim. For the purpose of Consolidated Financial Information, as restated such item has been regrouped appropriately.
- viii. During the year ended March 31, 2013, short-term unsecured loan from related parties was disclosed under Other current liabilities as Other payables. For the purpose of Consolidated Financial Information, as restated such item has been regrouped appropriately under Short-term borrowings.
- ix. The audited consolidated financial statements for the years ended March 31, 2013 and 2012 were presented in whole numbers. The same have been presented in millions to be consistent with other years included in the Consolidated Financial Information, as restated.

(e) Non -adjusting items

For the financial year ended March 31, 2015 in addition to the audit opinion on the consolidated financial statements, the auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2015 (CARO - 2015) issued by the Central Government of India under sub section 11 of Section 143 of the Companies Act, 2013.

Certain statements/ comments included in audit opinion on the Consolidated financial statements and CARO - 2015, which do not require an adjustment in the Consolidated Financial Information, as restated are reproduced below in respect of the financial statements presented:

(i) **Financial year ended March 31, 2015:****Companies (Auditor's Report) Order, 2015**

- (a) In respect of Parent Company, the dues outstanding in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount	Amount Paid Under Protest	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	0.40	-	Assessment year 2004-05	Bombay High Court
Income Tax Act, 1961	Income tax	49.18	16.00	Assessment year 2010-11	Income Tax Appellate Tribunal, Mumbai
Income Tax Act, 1961	Income tax	35.27	-	Assessment year 2010-11	Commissioner, Appeals
Income Tax Act, 1961	Income tax	57.39	-	Assessment year 2011-12	Commissioner, Appeals

(ii) **Financial year ended March 31, 2014:****Qualification- Main Audit Report**

The auditors' report for the year ended March 31, 2014 included a qualification in respect of payment of managerial remuneration in excess of the allowable limits under Companies Act, 1956 without the previous approval of Central Government.

7 Payments to auditors (excluding service tax)

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
As auditor					
Statutory audit	1.80	1.30	1.18	1.24	1.00
	1.80	1.30	1.18	1.24	1.00
In other capacity					
Other services					
- In relation to filing of prospectus*	1.90	-	0.74	1.23	-
- Certification work	0.19	0.15	0.15	0.30	-
	2.09	0.15	0.89	1.53	-
Reimbursement of expenses	0.11	0.05	0.07	0.12	-
	4.00	1.50	2.14	2.89	1.00

*The amount for the year ended March 31, 2016 has been included in Share issue expenses under Annexure XXI.

8 Disclosures in respect of non-cancellable operating leases

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Payable not later than one year	6.54	8.34	8.00	7.24	10.97
Payable later than one year not later than five years	-	6.25	14.01	19.92	33.60
Payable later than five years	-	-	-	-	7.30
	6.54	14.59	22.01	27.16	51.87
Lease rent payments charged off to the Consolidated Summary Statement of Profit and Loss	19.53	18.60	18.71	15.35	13.21

9 Capitalization of expenditure

The Group has capitalized the following expenses of revenue nature to the cost of tangible assets/ capital work in progress/ intangible assets under development. Consequently, expenses disclosed under the respective annexures are net of amounts capitalized by the Group.

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Salaries, wages and bonus	-	-	-	8.15	9.54
Power and fuel	-	-	-	21.06	8.94
Carriage inward and freight	-	-	-	-	0.81
Water charges	-	-	-	1.01	0.81
Rates and taxes	-	-	-	-	0.60
Legal and professional charges*	12.42	38.20	11.34	-	0.75
Travel, conveyance and car hire	-	-	-	0.27	0.81
Miscellaneous expenses	-	-	-	0.45	0.89
Finance costs	-	-	-	35.93	60.83
	12.42	38.20	11.34	66.87	83.98
Less: Interest income	-	-	-	-	2.53
	12.42	38.20	11.34	66.87	81.45

* The amounts pertaining to March 31, 2016, 2015 and 2014 have been capitalized under "Intangible assets under development".

10 Contingent liabilities and commitments

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
a) Contingent liabilities					
i) Pertains to income tax demand/ matters on account of deductions/ disallowances for earlier years, pending for appeals consequent to order passed against the Company/ demands raised by the Income Tax Department under Income Tax Act, 1961. Amount paid there against and included under Annexure XVI 'Loans and advances' (March 31, 2016 - Rs. 24.00 million, March 31, 2015 - Rs. 16.00 million and March 31, 2014 - Rs. 4.00 million).	170.97	142.24	221.43	97.40	3.15
ii) Pertains to excise duty and service tax demand raised by Commissioner of Central Excise, Customs and Service tax on account of inadmissible CENVAT credit, incorrect product classification and service tax levy on directors' remuneration for various periods.	23.16	-	-	-	-
iii) Possible liability arising for excise duty and service tax on account of observations for the earlier years through Excise Audit conducted by the excise authorities.	-	22.95	-	-	-
iv) Advanced Enzymes USA, Inc. had received written demands from clients for approximately USD 3.90 million, based on allegations that its products delivered to the clients did not conform to certain pre-agreed specifications. The company had been advised by the legal counsel that it is possible, but not probable that the claims would succeed and accordingly no provision for liability was recognised in the consolidated financial statements.	-	246.69	292.09	-	-
	194.13	411.88	513.52	97.40	3.15
b) Commitments					
Estimated amount of capital commitments remaining to be executed	4.24	1.09	12.62	5.07	6.02
	4.24	1.09	12.62	5.07	6.02
	198.37	412.97	526.14	102.47	9.17

11 Segment reporting

Primary segment

The Group operates only in one primary business segment viz. 'manufacturing and sales of enzymes' and hence no separate information for primary segment wise disclosure is required.

Secondary segment (based upon geography)

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Segment revenue (based upon location of customers)					
- Within India	1,070.56	927.24	884.07	913.91	650.25
- Outside India	1,867.06	1,303.84	1,510.43	1,290.27	1,067.16
	2,937.62	2,231.08	2,394.50	2,204.18	1,717.41

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Segment assets (based upon location of assets)					
- Within India	2,047.86	1,782.72	1,821.81	1,864.06	1,619.23
- Outside India	2,300.45	2,152.74	2,058.36	2,007.91	1,840.90
	4,348.31	3,935.46	3,880.17	3,871.97	3,460.13

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Capital expenditure					
- Within India	94.40	47.91	88.65	138.23	344.19
- Outside India	52.02	78.15	17.62	12.62	-
	146.42	126.06	106.27	150.85	344.19

12 Fixed assets held for sale

The Company has decided to sell the lease rights for one of its leasehold property situated at Jalna, Maharashtra. Accordingly, the cost of land aggregating Rs. 12.57 million along with the development costs aggregating Rs. 35.60 million has been classified as fixed assets held for sale.

Annexure V: Statement of Share capital, as restated

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Authorised share capital					
Equity shares of Rs. 10 each					
- Number of shares in million	35.00	35.00	35.00	35.00	35.00
- Amount in Rs. million	350.00	350.00	350.00	350.00	350.00
Issued, subscribed and fully paid up					
Equity shares of Rs. 10 each					
- Number of shares in million	21.77	21.77	21.77	21.77	20.73
- Amount in Rs. million	217.66	217.66	217.66	217.66	207.32

a) Reconciliation of equity share capital

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Balance at the beginning of the year					
- Number of shares in million	21.77	21.77	21.77	20.73	20.73
- Amount in Rs. million	217.66	217.66	217.66	207.32	207.32
Add: share issued during the year					
- Number of shares in million	-	-	-	1.04	-
- Amount in Rs. million	-	-	-	10.34	-
Balance at the end of the year					
- Number of shares in million	21.77	21.77	21.77	21.77	20.73
- Amount in Rs. million	217.66	217.66	217.66	217.66	207.32

b) Shareholding structure**Shareholders holding more than 5% of the shares of the company**

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Equity shares of Rs 10 each					
Mr. Vasant L. Rathi					
- Number of shares in million	8.28	8.28	8.28	8.88	8.94
- Percentage of holding (%)	38.05%	38.05%	38.05%	40.80%	43.14%
Chandrakant Rathi Finance and Investment Company Private Limited					
- Number of shares in million	4.30	3.63	3.63	3.62	3.62
- Percentage of holding (%)	19.73%	16.66%	16.66%	16.63%	17.47%
Atharva Capital Ventures Private Limited					
- Number of shares in million	2.49	2.49	2.49	2.49	2.52
- Percentage of holding (%)	11.45%	11.45%	11.45%	11.45%	12.17%
Mrs. Prabha V. Rathi					
- Number of shares in million	0.38	0.38	0.38	1.28	1.28
- Percentage of holding (%)	1.76%	1.76%	1.76%	5.90%	6.19%
Vasant and Prabha Rathi Generation Trust					
- Number of shares in million	1.50	1.50	1.50	-	-
- Percentage of holding (%)	6.89%	6.89%	6.89%	-	-

c) Details of shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and brought back during the last 5 years

The Company has not issued any shares without payment being received in cash nor there has been any buy-back of shares in the current year and preceding five years.

d) Terms/Rights attached to shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The final dividend, if any, proposed by Board of Directors is subject to approval by the Shareholders. All shares rank pari passu on repayment of capital in the event of liquidation.

Annexure VI: Consolidated Statement of Reserves and surplus, as restated

Particulars	Rs. in million				
	As at March 31,				
	2016	2015	2014	2013	2012
Capital reserves	3.00	3.00	3.00	3.00	3.00
Securities premium reserve					
Balance at the beginning of the year	289.63	289.63	289.63	-	-
Add : Additions made during the year	-	-	-	289.63	-
Balance at the end of the year	289.63	289.63	289.63	289.63	-
General reserve					
Balance at the beginning of the year	38.77	38.77	35.13	20.82	20.82
Add : Additions made during the year	-	-	3.64	14.31	-
Balance at the end of the year	38.77	38.77	38.77	35.13	20.82
Foreign currency translation reserve					
Balance at the beginning of the year	(250.12)	(209.69)	(67.44)	22.27	0.28
Add : Additions made during the year	-	-	-	-	21.99
Less : Deletions made during the year	(50.01)	(40.43)	(142.25)	(89.71)	-
Balance at the end of the year	(300.13)	(250.12)	(209.69)	(67.44)	22.27
Surplus in the Consolidated Summary Statement of Profit and Loss					
Balance at the beginning of the year	1,801.40	1,324.28	1,141.66	706.25	396.98
Add : Transferred from Summary Statement of Profit and Loss, as restated	784.35	501.02	200.86	492.19	333.36
Add: Adjustment of dividend proposed	2.40	-	-	-	-
Less : Interim dividend/proposed dividend	41.77	18.28	12.48	36.65	20.73
Less : Tax on dividends distributed during the year	8.04	3.45	2.12	5.82	3.36
Less : Transfer to general reserve	-	-	3.64	14.31	-
Less : Reversal of carrying amount of tangible fixed assets due to transitional provision as per Companies Act, 2013 *	-	3.25	-	-	-
Add: Reversal of deferred tax on carrying amount of tangible assets due to transitional provision as per Companies Act, 2013 *	-	1.08	-	-	-
Balance at the end of the year	2,538.34	1,801.40	1,324.28	1,141.66	706.25
	2,569.61	1,882.68	1,445.99	1,401.98	752.34

* Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Group has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be Nil as on 1 April 2014 and has adjusted an amount of Rs. 2.17 million (net of deferred tax of Rs. 1.08 million) against the opening surplus balance in the Consolidated Statement of Profit and Loss under Reserves and Surplus as at 1 April 2014.

Annexure VII: Consolidated Statement of Minority interest, as restated

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Balance at the beginning of the year	44.54	36.27	23.59	15.85	12.55
Add : Allocation of profit during the year	8.97	8.33	12.68	10.58	3.30
Less : Adjustment due to change in shareholding of minority interest	-	-	-	2.84	-
Less : Minority interest no longer payable on account of transitional provision	-	0.06	-	-	-
	53.51	44.54	36.27	23.59	15.85

Annexure VIII: Consolidated Statement of Long- term borrowings, as restated

Rs. in million

Particulars	As at March 31,									
	2016		2015		2014		2013		2012	
	Non-current portion	Current maturities	Non-current portion	Current maturities	Non-current portion	Current maturities	Non-current portion	Current maturities	Non-current portion	Current maturities
Secured										
Term loans										
From banks	110.00	30.00	-	99.89	92.15	110.15	181.17	101.58	264.20	94.30
From related parties	229.45	289.81	485.55	264.34	720.04	270.70	896.58	243.85	1,050.28	194.07
Vehicle loans	5.81	2.20	4.62	3.45	7.32	4.06	5.29	2.27	6.30	2.28
	345.26	322.01	490.17	367.68	819.51	384.91	1,083.04	347.70	1,320.78	290.65
Unsecured										
Fixed deposits										
- From directors	-	-	-	-	-	10.21	10.21	-	1.37	8.85
- From relatives of directors/ entities in which the directors are interested	-	-	-	-	-	0.41	11.05	0.30	4.00	9.85
- From other shareholders	-	-	-	-	-	1.44	-	-	0.45	-
- From others	-	-	-	-	-	0.13	1.16	0.35	0.68	0.84
Deferred sales tax payment liabilities	42.26	7.58	49.84	6.06	55.91	5.48	61.38	4.77	66.15	3.86
	42.26	7.58	49.84	6.06	55.91	17.67	83.81	5.42	72.65	23.40
	387.52	329.59	540.01	373.74	875.42	402.58	1,166.84	353.12	1,393.43	314.05
The above amount includes										
Amount disclosed under the head 'Other Current Liabilities'	-	329.59	-	373.74	-	402.58	-	353.12	-	314.05

Notes:

- a) The above includes the following outstanding balances (including current maturities and installment due but not paid) payable to promoters/group companies and other related parties *:

Particulars	Rs. in million				
	As at March 31,				
	2016	2015	2014	2013	2012
Secured long-term borrowings					
Promoters	440.49	960.19	926.83	934.62	1,132.37
Group companies	78.77	169.44	162.70	163.17	-
Others	-	-	20.67	42.66	111.99
	519.26	1,129.63	1,110.20	1,140.45	1,244.36
Unsecured long-term borrowings					
Promoters	-	-	10.21	10.21	10.21
Group companies	-	-	-	5.10	7.38
Others	-	-	0.41	6.25	6.48
	-	-	10.62	21.56	24.07
	519.26	1,129.63	1,120.82	1,162.01	1,268.43

*For party wise details of the balances, refer note (b) to Annexure XXXII

b) Particulars of default

Particulars	As at March 31,									
	2016		2015		2014		2013		2012	
	Rs. in million	Period of default	Rs. in million	Period of default	Rs. in million	Period of default	Rs. in million	Period of default	Rs. in million	Period of default
Default on payment of principal										
Vasant Rathi	-	-	322.79	15 months	101.55	3 months	-	-	-	-
Rathi Property LLC	-	-	56.96	15 months	17.92	3 months	-	-	-	-
Default on payment of interest on loan										
Vasant Rathi	-	-	8.29	1 month	15.65	3 months	-	-	-	-
Rathi Property LLC	-	-	1.46	1 month	2.76	3 months	-	-	-	-

Principal terms and conditions of long-term and short-term borrowings as at March 31, 2016

a) Term loans from bank

Sr. no.	Lender	Amount outstanding as at March, 31 2016 (Rs. in million)	Rate of interest	Repayment schedule of loans	No. of installments outstanding as at March, 31 2016	Prepayment and default terms	Security provided
1	Kotak Mahindra Bank Limited	140.00	As agreed between the Bank and the Company at the time of disbursement. As on March 31, 2016, the applicable rate was Bank's base rate plus 1.00 % p.a.	In 60 equal monthly instalments commencing from 9 December 2015	56	a) Pre-payment, prior to completion of the tenor of the facility, shall attract a penal charge of 2% on the outstanding loan amount if pre-payment is made within 1 year. Nil prepayment charges after 1 year if pre-paid through internal accruals. b) In case of default/ delay in repayment, amounts unpaid on due date shall attract interest at 2% per month compounded monthly.	1. First pari-passu charge by way of hypothecation on all the present and future plant, machinery and other fixed assets (both movable and immovable) of the Company; 2. First pari-passu charge by way of equitable/ registered mortgage on all the present and future land and building (immovable properties) of the Company. 3. Personal Guarantee of Mr. Chandrakant L. Rathi.

b) Term loans from Related parties

Sr. no.	Lender	Amount outstanding as at March, 31 2016 (Rs. in million)	Rate of interest	Repayment schedule of loans	No. of installments outstanding as at March, 31 2016	Security provided
1	Rathi Properties LLC	78.77	3.50 % per annum	Repayable in quarterly installment comprising of principal and interest and maturing on December 31, 2017.	7	Pledge of 2,000 equity shares of Cal India Foods International and 1,000 equity shares of Advanced Supplementary Technologies Corporation.
2	Mr. Vasant L Rathi	440.49	3.50 % per annum	Repayable in quarterly installment comprising of principal and interest and maturing on December 31, 2017.	7	Pledge of 2,000 equity shares of Cal India Foods International and 1,000 equity shares of Advanced Supplementary Technologies Corporation.

c) Demand loan from banks

Sr. no.	Lender	Amount outstanding as at March, 31 2016 (Rs. in million)	Rate of interest	Repayment schedule of loans	Prepayment and default terms	Security provided
1	Citibank N.A.		As agreed between the Bank and the Company. As on March 31, 2015, applicable rates were as follows:	Repayable on demand	a) Prepayment penalty at the rate of 2% of sanction amount or principal outstanding whichever is higher, at the discretion of Citi Bank N.A. b) Additional interest would be levied at 4 % p.a over and above the interest rate on the over dues/ delays/ default in payment of any dues.	1. First Pari Pasu charge on stocks and receivable. 2. Personal Guarantee of Mr. Chandrakant L. Rathi.
	-Cash credit (CC)	21.95	CC - 10.50 % p.a.			
	-Working capital demand loan (WCDL)	75.00	WCDL - 9.60 % p.a.			
	-Export credit facility (ECF)	33.71	ECF - LIBOR plus 200 basis point			

Principal terms and conditions of long-term and short-term borrowings as at March 31, 2016

Sr. no.	Lender	Amount outstanding as at March, 31 2016 (Rs. in million)	Rate of interest	Repayment schedule of loans	Prepayment and default terms	Security provided
2	HDFC Bank Limited	80.10	Bank's base rate plus 1.15 % p.a.	Repayable on demand	Penal interest would be levied at 2 % over and above the interest rate for all over dues or delay of sum payable.	1. First pari-passu charge over the entire current assets of the company to be shared on Pari passu basis with other banks providing working capital facilities. 2. Personal Guarantee of Mr. Chandrakant L. Rathi.
3	Kotak Mahindra Bank Limited	63.84	As agreed between the Bank and the Company at the time of disbursement. As on March 31, 2015, the applicable rate was Bank's base rate plus 1.25 % p.a.	Repayable on demand	Penal interest would be levied at 2 % per month, compounded monthly for the amounts unpaid on due dates.	1. First Pari passu charge by way of hypothecation on all existing and future current assets of the Company. 2. Personal Guarantee of Mr. Chandrakant L. Rathi
4	DBS Bank Limited - Export credit facility (ECF)	19.91	LIBOR plus 125 basis point	Repayable on demand	In the event of default, additional interest @ 3% would be levied over the rate of interest on the overdue amount from the due date up to the date of actual payment.	1. First Pari passu charge on all existing and future current assets of the Company. 2. Personal Guarantee of Mr. Chandrakant L. Rathi.
5	Citibank N.A.	1.82	13.00%	Repayable on demand	Additional interest would be levied at 4 % p.a over and above the interest rate on the over dues/ delays/ default in payment of any dues.	1. First exclusive charge on stocks and receivable. 2. Personal Guarantee of Mr. Om Prakash Singh 3. Negative lien on Land and Building located at Gat No. 51, Off Nasik-Pune Road, Dapurwat road, Mauje Musalgaon, Taluka Sinnar, District Nashik. 4. Sole charge on the Plant and Machinery at the above location as and when procured.

d) Vehicle loans

Sr. no.	Lender	Amount outstanding as at March, 31 2016 (Rs. in million)	Rate of interest	Repayment schedule of loans	No. of installments outstanding as at March, 31 2016	Security provided
1	HDFC Bank Limited	0.03	Fixed Interest rate - 12.50%	To be repaid in 60 EMIs	6	Charge on the Vehicle purchased out of the amount financed.
2	Volkswagen Finance Private Limited	0.35	Fixed Interest rate - 11.60%	To be repaid in 60 EMIs	29	Charge on the Vehicle purchased out of the amount financed.
3	Volkswagen Finance Private Limited	0.07	Fixed Interest rate - 10.83%	To be repaid in 36 EMIs	4	Charge on the Vehicle purchased out of the amount financed.
4	Axis Bank Limited	0.64	Fixed Interest rate - 10.59%	To be repaid in 60 EMIs	33	Charge on the Vehicle purchased out of the amount financed.
5	HDFC Bank Limited	0.55	Fixed Interest rate - 10.50%	To be repaid in 60 EMIs	44	Charge on the Vehicle purchased out of the amount financed.
6	ICICI Bank	1.16	Fixed Interest rate - 10.14%	To be repaid in 60 EMIs	48	Charge on the Vehicle purchased out of the amount financed.
7	ICICI Bank	1.31	Fixed Interest rate - 10.15%	To be repaid in 60 EMIs	48	Charge on the Vehicle purchased out of the amount financed.
8	HDFC Bank Limited	0.37	Fixed Interest rate - 9.90%	To be repaid in 60 EMIs	52	Charge on the Vehicle purchased out of the amount financed.
9	HDFC Bank Limited	0.55	Fixed Interest rate - 9.75%	To be repaid in 60 EMIs	56	Charge on the Vehicle purchased out of the amount financed.
10	HDFC Bank Limited	0.02	Fixed Interest rate - 11.00%	To be repaid in 36 EMIs	1	Charge on the Vehicle purchased out of the amount financed.
11	HDFC Bank Limited	2.96	Fixed Interest rate - 10.20%	To be repaid in 60 EMIs	36	Charge on the Vehicle purchased out of the amount financed.

e) Details of guarantee for each type of borrowings

Particulars	Rs. in million
	Amount outstanding as at March, 31 2016
a. Guaranteed by Managing director	
Term loans	
From banks (including current maturities)	140.00
Loans repayable on demand	
From banks	294.52
b. Guaranteed by others	
Loans repayable on demand	
From banks	1.82

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Deferred tax liabilities					
Depreciation/amortisation charged for financial reporting and income tax purpose	185.84	154.89	148.51	136.12	69.82
Liabilities reversed on carrying amount of tangible assets due to transitional provision as per Companies Act, 2013	-	(1.08)	-	-	-
Tax impact on restatement adjustments	-	-	-	0.44	-
	185.84	153.81	148.51	136.56	69.82
Deferred tax assets					
Tax impact on restatement adjustments	-	-	16.72	-	11.16
Unabsorbed depreciation	-	-	-	-	0.02
Provision for employee benefits	4.97	3.63	2.13	1.77	1.66
Provision for product recall liability	1.33	-	-	-	-
Others	5.66	2.49	1.51	1.62	0.24
	11.96	6.12	20.36	3.39	13.08
	173.88	147.69	128.15	133.17	56.74

Annexure X: Consolidated Statement of Short- term borrowings, as restated

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Secured					
Term loans					
From banks	-	-	42.07	70.71	-
Loans repayable on demand					
From banks	296.34	225.89	318.65	235.52	358.90
	296.34	225.89	360.72	306.23	358.90
Unsecured					
Loans from related parties	-	10.60	10.18	9.21	-
Loans from others	-	-	19.79	21.76	0.87
	-	10.60	29.97	30.97	0.87
	296.34	236.49	390.69	337.20	359.77

The above outstanding balances includes the following payables to promoters/group companies and other related parties *:

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Unsecured short-term borrowings					
Promoters	-	2.02	1.93	1.74	-
Others	-	8.58	8.25	7.47	-
	-	10.60	10.18	9.21	-

*For party wise details of the balances, refer note (b) to Annexure XXXII

Annexure XI: Consolidated Statement of Trade payables, as restated

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Total outstanding dues of micro enterprises and small enterprises (Also refer note (a) below)	1.87	1.45	1.62	5.05	5.51
Total outstanding dues of creditors other than micro enterprises and small enterprises	121.50	115.02	102.37	164.32	176.88
	123.37	116.47	103.99	169.37	182.39

Notes:

- a) Dues to micro, small and medium enterprises

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
1. Principal amount remaining unpaid	1.87	1.45	1.62	5.05	5.51
2. Interest due thereon	-	-	-	-	-
3. Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	-	-	-	-	-
4. Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-	-	-	-
5. Interest accrued and remaining unpaid as at balance sheet date	-	-	-	-	-
6. Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-	-	-	-
	1.87	1.45	1.62	5.05	5.51

The management has identified enterprises which have provided goods and services to the Group and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA). Accordingly, the disclosure in respect of the amounts payable to such enterprises has been made in the financials statements based on information received and available with the Group.

- b) The outstanding balance of trade payables includes the following payables to promoters/group companies and other related parties *:

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Dues to others					
Group companies	8.67	-	-	9.21	0.57

*For party wise details of the balances, refer note (b) to Annexure XXXII

Annexure XII: Consolidated Statement of Other current liabilities, as restated

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Current maturities of long-term borrowings from banks and related parties	319.81	364.22	380.85	345.44	288.36
Current maturities of vehicle loans	2.20	3.45	4.06	2.27	2.28
Current maturities of deferred sales tax payment liabilities	7.58	6.06	5.48	4.77	3.86
Current maturities of fixed deposits					
- From directors	-	-	10.21	-	8.85
- From relatives of directors/ entities in which the directors are interested	-	-	0.41	0.30	9.85
- From other shareholders	-	-	1.44	-	-
- From others	-	-	0.13	0.35	0.84
Interest accrued but not due on borrowings	-	-	0.19	0.93	-
Interest accrued and due on borrowings	1.25	9.75	18.42	-	-
Installment due but not paid	-	379.76	119.47	-	-
Interim dividend payable	9.64	-	-	-	-
Unpaid dividends (Also, refer note below)	0.51	0.45	0.79	0.48	0.35
Provident fund	1.35	1.10	1.12	1.00	0.84
Employees' state insurance scheme contribution	0.01	0.02	0.01	0.02	0.01
Other statutory dues	4.66	3.75	7.59	9.50	1.84
Advance and security deposits from customers	139.35	6.47	6.98	12.08	15.65
Payable in respect of fixed assets held for sale	35.60	-	-	-	-
Other payables	62.75	48.44	38.50	49.06	109.74
	584.71	823.47	595.65	426.20	442.47

Note:

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Amount due and paid during the year to "Investor Education and Protection Fund"	0.03	0.04	0.03	0.01	0.01

Annexure XIII: Consolidated Statement of Provisions, as restated

Rs. in million

Particulars	As at March 31,									
	2016		2015		2014		2013		2012	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
Provisions for employee benefits										
Leave encashment	-	4.82	-	3.08	-	2.45	-	1.51	-	2.12
Gratuity	1.75	4.12	-	1.02	-	4.57	-	3.29	-	2.17
Bonus	-	7.49	-	4.67	-	4.68	-	4.24	-	3.45
Others	-	-	-	-	-	-	-	0.90	-	5.12
Proposed dividend	-	-	-	14.88	-	10.88	-	32.65	-	20.73
Interim dividend (Also, refer note below)	-	20.00	-	-	-	-	-	-	-	-
Dividend tax	-	8.04	-	2.00	-	1.44	-	5.14	-	3.36
Provision for taxation (net of advance taxes)	-	60.33	-	3.82	-	19.19	-	32.93	-	42.83
Provision for sales return	-	-	-	-	-	-	-	6.80	-	-
Provision for product recall expenses	-	3.34	-	142.43	-	245.73	-	-	-	-
	1.75	108.15	-	171.91	-	288.94	-	87.46	-	79.78

Note:

The Board of Directors of Advanced Bio-Agro Tech Limited in its meeting held on 27 April 2016, has declared an interim dividend of Rs. 200 per equity share.

Annexure XIV: Consolidated Statement of Non-current investments, as restated

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Investments in equity instruments (Valued at cost unless stated otherwise)					
In others					
Advanced Vital Enzymes Private Limited	0.57	0.57	0.57	0.57	0.57
Bombay Mercantile Co-op. Bank Limited	0.05	0.05	0.05	0.05	0.05
	0.62	0.62	0.62	0.62	0.62
Aggregate amount of					
- unquoted investments	0.62	0.62	0.62	0.62	0.62
- trade investments	0.57	0.57	0.57	0.57	0.57
- other investments	0.05	0.05	0.05	0.05	0.05

Details of number of shares held by the Group

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
In others					
Advanced Vital Enzymes Private Limited - Equity shares of Rs.10 each fully paid up	19,100	19,100	19,100	19,100	19,100
Bombay Mercantile Co-op. Bank Limited. - Equity shares of Rs. 30 each fully paid up	1,666	1,666	1,666	1,666	1,666

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Deferred tax liabilities					
Depreciation/amortisation charged for financial reporting and income tax purpose	-	3.33	-	0.01	-
Provision for accounts receivable	-	-	0.01	-	-
Provision for sales return	-	-	3.01	-	-
Accrued interest	-	-	2.76	2.35	-
	-	3.33	5.78	2.36	-
Deferred tax assets					
Deferred tax impact on restatement item	-	16.30	-	-	-
Provision for inventory	-	2.06	0.39	-	-
Provision for sales return	-	-	2.99	2.71	-
Provision for recall liability	-	39.74	81.57	-	-
Accrued interest	-	3.88	7.29	-	-
Others	2.04	1.23	2.63	1.61	-
	2.04	63.21	94.87	4.32	-
	2.04	59.88	89.09	1.96	-

Annexure XVI: Consolidated Statement of Loans and advances as restated

Particulars	As at March 31,									
	2016		2015		2014		2013		2012	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
Capital advances										
- Unsecured, considered good	0.12	-	-	-	3.35	-	2.92	-	6.75	-
- Doubtful	1.30	-	1.30	-	1.30	-	1.30	-	1.30	-
Allowances for bad and doubtful advances	(1.30)	-	(1.30)	-	(1.30)	-	(1.30)	-	(1.30)	-
	0.12	-	-	-	3.35	-	2.92	-	6.75	-
Security deposits										
- Unsecured, considered good (Also, refer Annexure XXI)	13.74	0.07	13.78	0.07	13.94	-	13.12	1.47	11.79	1.97
	13.74	0.07	13.78	0.07	13.94	-	13.12	1.47	11.79	1.97
Loans and advances to related parties										
- Unsecured, considered good (Also, refer Annexure XXI)	-	-	7.98	-	15.20	-	21.75	1.24	57.39	-
	-	-	7.98	-	15.20	-	21.75	1.24	57.39	-
Other loans and advances (Unsecured, considered good)										
Loan to employees	-	0.51	-	0.51	-	0.36	-	0.33	-	0.69
Advances recoverable in cash or in kind or for value to be received	2.98	32.52	3.75	30.12	24.54	64.86	24.03	33.02	20.33	26.68
Advance income tax (net of provisions)	33.90	2.54	23.66	50.75	18.65	2.79	3.92	11.92	-	6.58
MAT credit entitlement	129.70	-	111.17	-	92.06	-	73.70	-	23.37	-
Balance with excise authorities	-	9.06	-	6.38	-	4.41	-	6.66	-	4.63
	166.58	44.63	138.58	87.76	135.25	72.42	101.65	51.93	43.70	38.58
	180.44	44.70	160.34	87.83	167.74	72.42	139.44	54.64	119.63	40.55

The above outstanding balances includes the following receivables from promoters/group companies and other related parties *:

Rs. in million

Particulars	As at March 31,									
	2016		2015		2014		2013		2012	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
Loans and advances to related parties (including current maturities)										
Group companies	-	-	15.20	-	21.75	-	27.68	1.24	69.09	-

*For party wise details of the balances, refer note (b) to Annexure XXXII

Annexure XVII: Consolidated Statement of Other non-current assets, as restated

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Non-current bank balances (Also, refer Annexure XX)	1.27	0.37	1.08	1.00	0.89
Others	-	-	-	0.01	-
	1.27	0.37	1.08	1.01	0.89

Annexure XVIII: Consolidated Statement of Inventories, as restated

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Valued at lower of cost and net realisable value					
Raw materials (Also, refer note below)	183.40	195.99	174.21	225.73	169.78
Work-in-progress	256.94	207.59	191.00	159.69	53.27
Finished goods (Also, refer note below)	118.85	88.49	101.43	41.76	50.57
Traded goods	0.82	0.63	-	-	-
Stores and spares	44.91	33.63	32.70	18.68	17.14
	604.92	526.33	499.34	445.86	290.76
Note:					
Details of goods-in-transit included in:					
Raw materials	19.47	20.23	36.99	29.39	4.12
Finished goods	20.44	7.05	-	-	-

Annexure XIX: Consolidated Statement of Trade receivables, as restated

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Debts outstanding for a period exceeding six months from the date they are due for payment					
Unsecured, considered good	65.71	17.24	7.84	8.94	13.14
Doubtful	2.90	2.90	2.90	1.73	2.43
	68.61	20.14	10.74	10.67	15.57
Less : Allowances for bad and doubtful debts	2.90	2.90	2.90	1.73	2.43
	65.71	17.24	7.84	8.94	13.14
Other debts					
Secured, considered good	0.18	0.18	0.15	0.13	0.18
Unsecured, considered good	352.08	352.66	315.71	381.61	313.25
	352.26	352.84	315.86	381.74	313.43
	417.97	370.08	323.70	390.68	326.57

Advanced Enzyme Technologies Limited

The above outstanding balances includes the following receivables from promoters/group companies and other related parties *:

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Trade receivables					
Group companies	6.75	5.36	8.51	10.61	15.05

*For party wise details of the balances, refer note (b) to Annexure XXXII

Annexure XX: Consolidated Statement of Cash and bank balances, as restated

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Cash and cash equivalents					
Cash on hand	0.61	0.53	0.65	0.50	0.82
Balances with banks					
-in current accounts	249.87	38.94	13.35	25.61	48.51
-in fixed deposits with maturity upto three months	2.48	2.62	8.20	7.62	2.86
	252.96	42.09	22.20	33.73	52.19
Other bank balances					
Unclaimed dividend account	10.15	0.45	0.79	0.48	0.35
Deposits with maturity more than three months but less than twelve months	0.03	0.83	3.49	2.75	0.43
Bank deposits with maturity of more than twelve months	1.27	0.37	1.08	1.00	0.89
	11.45	1.65	5.36	4.23	1.67
	264.41	43.74	27.56	37.96	53.86
Less : Amounts disclosed as other non-current asset (Also, refer Annexure XVII)	1.27	0.37	1.08	1.00	0.89
	263.14	43.37	26.48	36.96	52.97

Annexure XXI: Consolidated Statement of Other current assets, as restated

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Current maturities of loan to related parties	-	7.23	6.55	5.93	11.70
Fixed assets held for sale	48.17	-	-	-	-
Share issue expenses (refer note below)	18.28	-	-	-	-
Others	0.01	0.49	0.63	0.26	-
	66.46	7.72	7.18	6.19	11.70

Note:

The share issue expenses are being incurred by the Company in relation to its proposed Initial Public Offer ("the Offer") of equity shares. The Company and the Selling Shareholders will share these expenses with certain exclusion of expenses as agreed amongst them, on a pro-rata basis in proportion of the Equity shares contributed by each of them in the Offer.

The share of the Company of such expenses shall be adjusted against the Securities premium reserve as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the Securities premium reserve post the issue of equity shares. Share issue expenses in excess of the balance in the Securities premium reserve would be expensed in the Statement of profit and loss. The share of the Selling Shareholders of such expenses will be reimbursed to the Company.

Advanced Enzyme Technologies Limited
Annexure XXII: Consolidated Statement of Revenue from operations, as restated
Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Sale of goods					
Export	1,867.06	1,303.84	1,510.43	1,290.27	1,067.16
Domestic	1,177.52	1,015.72	971.53	1,013.45	716.82
Revenue from operations (Gross)	3,044.58	2,319.56	2,481.96	2,303.72	1,783.98
Less : Excise duty	106.96	88.48	87.46	99.54	66.57
Revenue from operations (Net)	2,937.62	2,231.08	2,394.50	2,204.18	1,717.41

Details of goods sold
Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Manufactured goods					
- Enzymes	2,485.96	1,872.05	2,084.45	1,906.52	1,573.24
- Animal feed supplement	405.46	328.38	283.21	228.22	134.28
- Micro organisms	31.53	13.09	15.97	9.88	5.01
- Others	9.52	15.26	10.87	59.56	4.88
	2,932.47	2,228.78	2,394.50	2,204.18	1,717.41
Traded goods					
- Animal feed supplement	1.57	2.30	-	-	-
- Agri supplies	3.58	-	-	-	-
	5.15	2.30	-	-	-
	2,937.62	2,231.08	2,394.50	2,204.18	1,717.41

Annexure XXIII: Consolidated Statement of Other income, as restated
Rs. in million

Particulars	For the year ended March 31,					Nature (recurring/ non-recurring)	Related/ not related to business activity
	2016	2015	2014	2013	2012		
Interest income	4.63	4.43	5.92	6.09	8.55	Recurring	Not related
Net gain on sale/write-off of investments (net of provisions)	-	-	0.43	-	-	Non Recurring	Not related
Profit on sale of fixed assets (net)	-	1.54	-	-	-	Non Recurring	Not related
Export incentives	2.25	1.93	2.79	4.89	6.27	Recurring	Related
Excess provision no longer required written back	0.06	1.56	-	0.26	0.19	Recurring	Related
Net gain on foreign currency transactions and translations	0.22	-	0.20	0.25	0.35	Recurring	Related
Other non-operating income							
- service income (net of expenses directly attributable to such income of Rs. 0.50 million)	1.08	-	-	-	-	Non- recurring	Not related
- miscellaneous income	0.51	2.15	0.97	25.48	16.01	Recurring	Not related
	8.75	11.61	10.31	36.97	31.37		
Profit before tax	1,225.32	737.49	277.51	761.58	476.81		
% of other income to profit before tax	0.71%	1.57%	3.72%	4.85%	6.58%		

Notes:

The classification of 'Other income' as recurring or non-recurring and related or non-related to business activity is based on the current operations and business activities of the Group, as determined by the management.

Advanced Enzyme Technologies Limited
Annexure XXIV: Consolidated Statement of Cost of materials consumed, as restated
Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Raw material consumed					
Opening stock	195.99	174.21	225.78	169.78	104.64
Add : Purchases during the year	654.42	499.59	526.99	651.40	490.13
Add : Share in subsidiary stock acquired during the year	-	-	-	-	89.96
Less : Closing stock	183.40	195.99	174.21	225.78	169.78
	667.01	477.81	578.56	595.40	514.95

Annexure XXV: Consolidated Statement of Changes in inventories of finished goods, work-in-progress and traded goods, as restated
Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Opening stock					
- Finished goods	88.09	102.70	42.48	50.57	23.91
- Work-in-progress	207.41	191.06	144.33	53.27	31.47
- Traded goods	0.63	-	-	-	-
	296.13	293.76	186.81	103.84	55.38
Closing stock					
- Finished goods	118.84	88.09	102.70	42.48	50.57
- Work-in-progress	256.88	207.41	191.06	144.33	53.27
- Traded goods	0.82	0.63	-	-	-
	376.54	296.13	293.76	186.81	103.84
Share in subsidiary stock acquired during the year - Finished goods	-	-	-	-	11.49
Differential excise duty on stocks	0.49	(0.36)	(1.04)	(1.11)	0.21
	(79.92)	(2.73)	(107.99)	(84.08)	(36.76)

Annexure XXVI: Consolidated Statement of Employee benefit expenses, as restated
Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Salaries, wages and bonus	401.58	335.95	303.13	244.53	175.82
Contribution to gratuity, provident fund and other funds	29.57	13.45	13.85	13.20	14.79
Staff welfare expenses	13.89	11.58	11.80	11.92	11.68
	445.04	360.98	328.78	269.65	202.29

Annexure XXVII: Consolidated Statement of Finance costs, as restated
Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Interest expenses	66.69	79.60	89.31	90.41	117.08
Bank charges	10.24	7.31	7.57	5.07	3.72
Net loss on foreign currency transactions and translations	1.63	5.64	35.05	0.06	1.58
	78.56	92.55	131.93	95.54	122.38

Annexure XXVIII: Consolidated Statement of Depreciation and amortisation expense, as restated
Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Depreciation of tangible assets	87.03	90.10	98.62	74.81	53.68
Amortisation of intangible assets	0.16	0.07	0.04	0.64	1.30
	87.19	90.17	98.66	75.45	54.98

Advanced Enzyme Technologies Limited
Annexure XXIX: Consolidated Statement of Other expenses, as restated
Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Manufacturing expenses					
Consumption of stores and spare parts	42.40	31.31	29.97	49.54	37.65
Consumption of packing materials	26.54	26.31	24.48	20.47	15.73
Power and fuel	99.07	99.08	146.44	154.56	125.18
Carriage inward and freight	23.60	19.37	28.21	24.18	15.78
Water charges	2.66	2.18	2.47	1.82	1.49
Excise duty	11.15	9.97	5.47	9.74	4.79
Laboratory expenses	17.46	14.70	20.48	11.30	5.90
Repairs and maintenance					
- Buildings	13.85	9.85	3.96	5.25	4.66
- Plant and equipment	12.46	5.39	6.22	7.85	5.85
Other manufacturing expenses	0.04	0.04	3.90	3.61	3.10
	249.23	218.20	271.60	288.32	220.13
Selling and distribution expenses					
Travel, conveyance and car hire	33.00	32.29	35.62	33.31	26.76
Commission	8.01	6.53	11.40	9.04	10.90
Discount on sales	7.21	4.00	1.67	2.22	2.90
Sales promotion and advertisement	16.99	15.84	16.16	11.10	7.78
Freight outward and forwarding	24.69	23.01	25.87	21.52	21.96
Other selling and distribution expenses	15.99	12.70	14.26	10.70	9.87
	105.89	94.37	104.98	87.89	80.17
Administrative and general expenses					
Rent	19.53	18.60	18.71	15.35	13.21
Rates and taxes	3.64	3.90	6.42	2.40	2.53
Repairs and maintenance					
- Others	5.86	7.36	10.50	6.89	6.58
Insurance	13.14	12.69	11.57	6.88	5.45
Printing and stationary	3.10	2.75	2.01	1.74	2.09
Communication expenses	7.85	6.98	7.43	6.57	6.76
Directors' sitting fees	0.52	0.28	0.28	0.38	0.16
Legal and professional charges	51.36	74.98	74.03	65.51	45.16
Payments to auditors (Also refer note 7 to Annexure IV)	2.10	1.50	1.40	1.66	1.75
Provision for doubtful debts	-	-	1.20	-	-
Bad debts written off	2.09	1.63	1.64	0.15	0.57
Advances/assets written off	-	-	3.50	1.57	2.16
Donation	1.43	1.69	4.90	6.52	6.32
Loss on sale of assets	0.08	-	0.51	-	0.16
Share issue expenses written off	-	-	1.32	9.91	-
Net loss on foreign currency transactions and translations	9.63	2.54	4.17	5.46	0.49
Commuting expenses	5.96	5.03	5.13	-	-
Fixed assets written off	-	3.94	-	-	5.05
CSR Expenses	4.46	3.30	-	-	-
Miscellaneous expenses	34.24	24.56	26.08	20.41	15.39
	164.99	171.73	180.80	151.40	113.83
	520.11	484.30	557.38	527.61	414.13

Annexure XXX: Consolidated Statement of Exceptional items, as restated

Some of the consignments of goods of enzymes sold by the Group were reported to have potential contamination. During the second half of the year ended March 31, 2014, the Group had done voluntarily recall of those specific lots and got goods returned back from some of its overseas customers. Accordingly, the Group had to charge a one time inventory write off, settle claims of some of the customers and incur certain expenses related to recall.

Following expenses represents consequential cost on account of product recall:

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Sales returns	-	-	243.75	-	-
Expenditure towards settlement of claims	-	-	247.09	-	-
Write offs	-	-	13.76	-	-
Other related expenses	-	-	50.67	-	-
	-	-	555.27	-	-
Less: Insurance claim received	-	-	15.29	-	-
	-	-	539.98	-	-

Annexure XXXI: Consolidated Statement of Accounting and other ratios, as restated

		Rs. in million except per share data				
Sr. no.	Particulars	As at and for the year ended March 31,				
		2016	2015	2014	2013	2012
A	Net worth, as restated	2,787.27	2,100.34	1,663.65	1,619.64	959.66
B	Profit after tax, as restated	784.35	501.02	200.86	492.19	333.36
	Weighted average number of equity shares outstanding during the year (in million)					
C	For Basic earnings per share	21.77	21.77	21.77	21.31	20.73
D	For Diluted earnings per share	21.77	21.77	21.77	21.31	20.73
	Earnings per share					
E	Basic earnings per share (Rs.) (B/C)	36.03	23.01	9.23	23.10	16.08
F	Diluted earnings per share (Rs.) (B/D)	36.03	23.01	9.23	23.10	16.08
G	Return on Net Worth (%) (B/A*100)	28.14%	23.85%	12.07%	30.39%	34.74%
H	Number of shares outstanding at the end of the year	21.77	21.77	21.77	21.77	20.73
I	Net asset value per equity share of Rs.10 each (Rs.) (A/H)	128.03	96.48	76.42	74.40	46.29
J	Face value per equity shares (Rs.)	10.00	10.00	10.00	10.00	10.00

Notes:**1) The ratio has been computed as below :**

a) Basic and Diluted earnings per share (Rs.)

$$\frac{\text{Profit after tax, as restated attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$$

b) Net asset value per equity share (Rs.)

$$\frac{\text{Net worth, as restated as at year end}}{\text{Total number of equity shares as at year end}}$$

c) Return on Net Worth (%) =

$$\frac{\text{Profit after tax, as restated}}{\text{Net worth, as restated as at year end}}$$

2) The figures disclosed above are based on the Consolidated Financial Information, as restated of the Group.

3) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

4) Net worth for the ratios represents sum of share capital and reserves and surplus (capital reserve, securities premium, general reserve, foreign currency translation reserve and surplus in the statement of profit and loss).

5) The above statement should be read with the Statement of Notes to the Consolidated Financial Information, as restated of the Group in Annexure IV.

(a) Names of related parties

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
(I) Key Management Personnel (KMP)	Mr. Vasant L. Rathi Mr. Chandrakant L. Rathi Mrs. Savita C. Rathi Mr. Mukund M. Kabra Mr. Piyush C. Rathi Mr. Beni P. Rauka Mr. Dipak Roda Mr. Prabal Bordiya (w.e.f 13 January, 2016)	Mr. Vasant L. Rathi Mr. Chandrakant L. Rathi Mrs. Savita C. Rathi Mr. Mukund M. Kabra Mr. Piyush C. Rathi Mr. Beni P. Rauka Mr. Dipak Roda	Mr. Vasant L. Rathi Mr. Chandrakant L. Rathi Mrs. Savita C. Rathi Mr. Mukund M. Kabra Mr. Piyush C. Rathi Mr. Beni P. Rauka Mr. Dipak Roda	Mr. Vasant L. Rathi Mr. Chandrakant L. Rathi Mrs. Savita C. Rathi Mr. Mukund M. Kabra Mr. Piyush C. Rathi	Mr. Vasant L. Rathi Mr. Chandrakant L. Rathi Mrs. Savita C. Rathi Mr. Mukund M. Kabra
(II) Relatives of KMP	Mrs. Prabha V. Rathi Ms. Rachana Rathi Ms. Rasika Rathi Ms. Reshma Rathi Mr. Kishore L. Rathi Mrs. Mangala M. Kabra Mrs. Dipika Roda	Mrs. Prabha V. Rathi Ms. Rachana Rathi Ms. Rasika Rathi Ms. Reshma Rathi Mr. Kishore L. Rathi Mrs. Mangala M. Kabra Mrs. Dipika Roda	Mrs. Radhika Pujara Mrs. Prabha V. Rathi Ms. Rachana Rathi Ms. Rasika Rathi Ms. Reshma Rathi Mr. Kishore L. Rathi Mrs. Mangala M. Kabra Mrs. Divya P. Rathi Mrs. Dipika Roda	Mrs. Radhika Pujara Mrs. Prabha V. Rathi Ms. Rachana Rathi Ms. Rasika Rathi Ms. Reshma Rathi Mr. Kishore L. Rathi Mrs. Mangala M. Kabra Mrs. Divya P. Rathi	Mr. Piyush C. Rathi Mrs. Radhika Pujara Mrs. Prabha V. Rathi Ms. Rachana Rathi Ms. Rasika Rathi Ms. Reshma Rathi Mr. Kishore L. Rathi Mrs. Mangala M. Kabra Mrs. Divya P. Rathi
(III) Other related parties (Entities in which either of the KMP's have significant influence)	Atharva Capital Ventures Private Limited Chandrakant Rathi Finance and Investment Company Private Limited Advanced Vital Enzymes Private Limited C.L. Rathi HUF (Hindu Undivided Family) Rathi Properties LLC Mukund M Kabra HUF Vasant and Prabha Rathi Generation Trust	Atharva Capital Ventures Private Limited Chandrakant Rathi Finance and Investment Company Private Limited Advanced Vital Enzymes Private Limited C.L. Rathi HUF (Hindu Undivided Family) Rathi Properties LLC Mukund M Kabra HUF Vasant and Prabha Rathi Generation Trust	Atharva Capital Ventures Private Limited Chandrakant Rathi Finance and Investment Company Private Limited Advanced Vital Enzymes Private Limited (erstwhile known as Advanced Vital Enzymes Limited) C.L. Rathi HUF (Hindu Undivided Family) Rathi Properties LLC Mukund M Kabra HUF Vasant and Prabha Rathi Generation Trust	Atharva Capital Ventures Private Limited Chandrakant Rathi Finance and Investment Company Private Limited Advanced Vital Enzymes Limited Advanced Supplementary Technologies Corporation (upto 31 October 2012) C.L. Rathi HUF (Hindu Undivided Family) Rathi Properties LLC	Atharva Capital Ventures Private Limited Chandrakant Rathi Finance and Investment Company Private Limited Cal India Foods International (upto 3 April 2011) Advanced Supplementary Technologies Corporation Rathi Properties LLC Advanced Vital Enzymes Limited

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Shri Lakshminarayanan Rathu Bahuuddeshiya Seva Sanstha	Shri Lakshminarayanan Rathu Bahuuddeshiya Seva Sanstha	Shri Lakshminarayanan Rathu Bahuuddeshiya Seva Sanstha	Shri Lakshminarayanan Rathu Bahuuddeshiya Seva Sanstha		
Om Manufacturing Private Limited (w.e.f. 1 April 2015)	Atharva Clean Energy Private Limited (erstwhile known as Advanced Bio-Proteins Limited)	Pranoo Financial Services Private Limited	Pranoo Financial Services Private Limited		
Silvertech Trading Company Private Limited (w.e.f. 1 April 2015)	Pranoo Financial Services Private Limited	Advanced Bio-Proteins Limited (w.e.f. 21 November 2013)			
Pranoo Financial Services Private Limited					
Atharva Clean Energy Private Limited					

Advanced Enzyme Technologies Limited
Annexure XXXII: Consolidated Statement of Related party disclosures, as restated

(b) Transactions and outstanding balances with related parties

Particulars	Rs. in million				
	As at and for the year ended March 31,				
	2016	2015	2014	2013	2012
(I) KMP and relatives of KMP					
Transactions					
Rent paid					
Mrs. Prabha V. Rath	-	-	-	-	0.06
Mr. Vasant L Rath	3.53	3.30	3.27	1.23	-
	3.53	3.30	3.27	1.23	0.06
Remuneration *					
Mr. Vasant L Rath	20.82	26.56	19.10	17.41	-
Mr. Chandrakant L. Rath	12.48	8.77	9.48	8.36	5.77
Mrs. Savita C. Rath	5.09	3.33	3.50	2.94	2.33
Mr. Mukund M. Kabra	11.19	8.56	8.36	7.73	6.16
Mr. Kishore L. Rath	2.02	1.81	1.90	1.67	1.53
Mrs. Mangala M. Kabra	2.33	2.03	2.10	1.77	1.72
Mr. Piyush C. Rath	6.12	3.75	3.97	3.12	2.42
Mrs. Prabha V. Rath	12.77	11.92	11.80	10.62	9.35
Ms. Rachana Rath	5.25	4.62	3.98	1.38	-
Ms. Rasika Rath	7.83	5.29	3.66	-	-
Ms. Reshma Rath	5.25	4.65	3.93	3.16	2.56
Mr. Beni P. Rauka	6.00	3.52	3.74	3.13	-
Mr. Dipak Roda	5.99	3.60	4.12	3.01	-
Mr. Prabal Bordiya	0.09	-	-	-	-
	103.23	88.41	79.64	64.30	31.84
Commission *					
Mr. Vasant L Rath	2.07	1.91	-	2.34	2.06
Mr. Chandrakant L. Rath	1.05	1.44	-	1.76	1.54
Mr. Mukund M. Kabra	0.53	0.96	-	1.17	1.03
	3.65	4.31	-	5.27	4.63
* included in Employee benefit expense					
Interest paid on borrowings					
Mr. Vasant L Rath	24.88	42.00	33.71	37.07	75.92
Ms. Rachana Rath	-	0.16	0.50	0.62	2.50
Ms. Rasika Rath	-	0.16	0.50	0.62	2.50
Ms. Reshma Rath	-	0.16	0.50	0.62	2.50
	24.88	42.48	35.21	38.93	83.42
Interest expenses on fixed deposits					
Mr. Vasant L Rath	-	1.00	1.12	1.13	1.20
Mrs. Prabha V. Rath	-	0.04	0.05	0.05	0.05
Mrs. Radhika Pujara	-	-	0.15	0.25	0.28
Mrs. Divya P. Rath	-	-	0.06	0.12	0.12
Mr. Piyush C. Rath	-	-	0.00	0.01	0.01
	-	1.04	1.38	1.56	1.66
Borrowings received					
Mr. Vasant L Rath	-	-	-	935.99	1,133.23
Ms. Rachana Rath	-	-	-	16.15	37.33
Ms. Rasika Rath	-	-	-	16.15	37.33
Ms. Reshma Rath	-	-	-	16.15	37.33
	-	-	-	984.44	1,245.22
Deposits received/ (repaid) (net)					
Mr. Vasant L Rath	-	(10.21)	-	-	-
Mrs. Prabha V. Rath	-	(0.41)	-	-	-
Mrs. Radhika Pujara	-	-	(2.28)	(0.23)	0.15
Mr. Piyush C. Rath	-	-	(0.05)	-	-
Mrs. Divya P. Rath	-	-	(1.07)	-	-
	-	(10.62)	(3.40)	(0.23)	0.15
Purchase of shares					
Mr. Vasant L Rath	-	-	-	31.88	1,293.58
Ms. Rachana Rath	-	-	-	45.30	42.65
Ms. Rasika Rath	-	-	-	45.30	42.65
Ms. Reshma Rath	-	-	-	45.30	42.65
	-	-	-	167.78	1,421.53
Legal and professional charges					
Mrs. Dipika Roda	0.47	-	-	-	-
	0.47	-	-	-	-

Particulars	As at and for the year ended March 31,				
	2016	2015	2014	2013	2012
<u>Outstanding balances</u>					
Fixed deposits					
Mr. Vasant L Rath	-	-	10.21	10.21	10.21
Mrs. Prabha V. Rath	-	-	0.41	0.41	0.41
Mrs. Radhika Pujara	-	-	-	2.28	2.50
Mrs. Divya P. Rath	-	-	-	1.07	1.07
Mr. Piyush C. Rath	-	-	-	0.05	0.05
	-	-	10.62	14.02	14.24
Long-term borrowings (including current maturities and installment due but not paid)					
Mr. Vasant L Rath	440.49	960.19	926.83	934.62	1,132.37
Ms. Rachana Rath	-	-	6.89	14.22	37.33
Ms. Rasika Rath	-	-	6.89	14.22	37.33
Ms. Reshma Rath	-	-	6.89	14.22	37.33
	440.49	960.19	947.50	977.28	1,244.36
Short-term borrowings					
Mr. Vasant L Rath	-	2.02	1.93	1.74	-
Ms. Rachana Rath	-	2.86	2.75	2.49	-
Ms. Rasika Rath	-	2.86	2.75	2.49	-
Ms. Reshma Rath	-	2.86	2.75	2.49	-
	-	10.60	10.18	9.21	-
Commission payable					
Mr. Vasant L Rath	1.76	1.91	-	1.98	-
Mr. Chandrakant L. Rath	0.94	1.44	-	1.58	-
Mr. Mukund M. Kbra	0.48	0.96	-	1.05	-
	3.18	4.31	-	4.61	-
Interest payable					
Mr. Vasant L Rath	-	8.29	15.79	0.07	-
Ms. Rachana Rath	-	-	0.05	0.10	-
Ms. Rasika Rath	-	-	0.05	0.10	-
Ms. Reshma Rath	-	-	0.05	0.10	-
	-	8.29	15.94	0.37	-
(II) Other related parties					
<u>Transactions</u>					
Purchase of goods					
Advanced Vital Enzymes Private Limited	4.22	2.65	-	-	-
Om Manufacturing Jalna Private Limited	22.19	-	-	-	-
Silvertch Trading Company Private Limited	14.57	-	-	-	-
	40.98	2.65	-	-	-
Sale of goods					
Advanced Vital Enzymes Private Limited	16.15	10.42	15.61	22.38	18.67
Advanced Supplementary Technologies Corporation	-	-	-	37.01	51.05
Om Manufacturing Jalna Private Limited	2.97	-	-	-	-
	19.12	10.42	15.61	59.39	69.72
Rent paid					
Rathi Properties LLC	8.72	8.14	8.06	7.25	6.38
	8.72	8.14	8.06	7.25	6.38
Interest received					
Advanced Vital Enzymes Private Limited	1.05	1.93	2.55	4.90	7.59
	1.05	1.93	2.55	4.90	7.59
Interest on borrowings					
Rathi Properties LLC	3.87	7.25	5.89	1.81	-
	3.87	7.25	5.89	1.81	-

Rs. in million

Particulars	As at and for the year ended March 31,				
	2016	2015	2014	2013	2012
Interest expenses on fixed deposits					
Chandrakant Rathi Finance and Investment Company Private Limited	-	-	0.20	0.42	0.51
Atharva Capital Ventures Private Limited	-	-	0.08	0.22	0.36
C.L. Rathi HUF (Hindu Undivided Family)	-	-	0.13	0.27	0.27
	-	-	0.41	0.91	1.14
Loan paid (net)					
Advanced Vital Enzymes Private Limited	(15.20)	(6.55)	(7.17)	(40.17)	(10.68)
	(15.20)	(6.55)	(7.17)	(40.17)	(10.68)
Borrowings received					
Rathi Properties, LLC	-	-	-	163.17	-
	-	-	-	163.17	-
Legal and professional charges					
Pranoo Financial Services Private Limited	0.47	-	-	-	-
	0.47	-	-	-	-
Deposits received/ (repaid) (net)					
Chandrakant Rathi Finance and Investment Company Private Limited	-	-	(3.60)	(0.80)	-
Atharva Capital Ventures Private Limited	-	-	(1.50)	(1.48)	-
C.L. Rathi HUF (Hindu Undivided Family)	-	-	(2.45)	-	-
	-	-	(7.55)	(2.28)	-
Commission paid					
Advanced Vital Enzymes Private Limited	-	-	0.17	-	-
	-	-	0.17	-	-
Outstanding balances					
Fixed deposits					
Chandrakant Rathi Finance and Investment Company Private Limited	-	-	-	3.60	4.40
Atharva Capital Ventures Private Limited	-	-	-	1.50	2.98
C.L. Rathi HUF (Hindu Undivided Family)	-	-	-	2.45	2.45
	-	-	-	7.55	9.83
Investments					
Advanced Vital Enzymes Private Limited	0.57	0.57	0.57	0.57	0.57
	0.57	0.57	0.57	0.57	0.57
Trade receivables					
Advanced Supplementary Technologies Corporation	-	-	-	-	0.30
Advanced Vital Enzymes Private Limited	3.08	5.36	8.51	10.61	14.75
Om Manufacturing Jalna Private Limited	3.67	-	-	-	-
	6.75	5.36	8.51	10.61	15.05
Trade payables					
Om Manufacturing Jalna Private Limited	5.33	-	-	-	-
Advanced Vital Enzymes Private Limited	1.07	-	-	-	-
Rathi Properties, LLC	-	-	-	9.21	0.57
Silvertch Trading Company Private Limited	2.27	-	-	-	-
	8.67	-	-	9.21	0.57
Loans and advances (including current maturities)					
Advanced Vital Enzymes Private Limited	-	15.20	21.75	28.92	69.09
	-	15.20	21.75	28.92	69.09
Long-term borrowings (including current maturities and installment due but not paid)					
Rathi Properties LLC	78.77	169.44	162.70	163.17	-
	78.77	169.44	162.70	163.17	-
Interest payable					
Rathi Properties LLC	-	1.46	2.78	-	-
	-	1.46	2.78	-	-

Notes:

- The above statement should be read with the Statement of Notes to the Consolidated Financial Information, as restated of the Group in Annexure IV.
- List of persons/ entities classified as Related parties has been determined by the Management and relied upon by the Auditors.

Advanced Enzyme Technologies Limited
Annexure XXXIII: Consolidated Statement of Capitalisation

Particulars	Rs. in million	
	Pre Issue as at March 31, 2016	Post Issue
Borrowings		
Short- term	296.34	•
Long- term (including current maturities) (A)	717.11	•
Total Borrowings (B)	1,013.45	
Shareholders' fund		
Share capital	217.66	•
Reserve and surplus	2,569.61	•
Total Shareholders' fund (C)	2,787.27	•
Long- term borrowings / equity ratio {(A)/(C)}	0.26	•
Total borrowings / equity ratio {(B)/(C)}	0.36	•

Notes:

- 1 Short-term borrowings implies borrowings repayable within 12 months from the date of its availment. Long-term borrowings are debts other than short-term borrowings and includes deferred sales tax payment liabilities.
 - 2 The above has been computed on the basis of the Consolidated Summary Statements of Assets and Liabilities, as restated of the Group.
 - 3 The above statement should be read with the Statement of Notes to the Consolidated Financial Information, as restated of the Group in Annexure IV.
- The corresponding figures (post issue) can be calculated only on the conclusion of the book building process and hence have not been furnished.

Annexure XXXIV: Statement of Dividend declared by the Company

Particulars	As at and for the year ended March 31,				
	2016	2015	2014	2013	2012
Equity share capital (Rs. in million)	217.66	217.66	217.66	217.66	207.32
Number of equity shares (in million)	21.77	21.77	21.77	21.77	20.73
Face value per share (Rs.)	10.00	10.00	10.00	10.00	10.00
Dividend on equity shares					
Rate of Dividend	10.00%	5.00%	5.00%	15.00%	10.00%
Interim Dividend (Rs. in million)	21.77	-	-	-	-
Tax on interim dividend including surcharge (Rs. in million)	3.97	-	-	-	-
Final Dividend (Rs. in million)	-	10.88	10.88	32.65	20.73
Tax on final dividend including surcharge (Rs. in million)	-	1.18	1.44	5.14	3.36

Notes:

The above statement should be read with the Statement of Notes to the Unconsolidated Financial Information, as restated of the Company in Annexure IV.

To,

The Board of Directors,

Advanced Enzyme Technologies Limited

Sun Magnetica, 5th floor,

Near LIC Service Road,

Louiswadi, Thane (W) – 400604.

Auditors' Report on Unconsolidated Financial Information, as restated in connection with the proposed issue of equity shares of Advanced Enzyme Technologies Limited

Dear Sirs,

1. We have examined the attached unconsolidated financial information comprising of Unconsolidated Summary Statement of Assets and Liabilities, as restated, as at March 31, 2016, 2015, 2014, 2013 and 2012, Unconsolidated Summary Statement of Profit and Loss, as restated, Unconsolidated Statement of Cash Flows, as restated, (collectively referred as “Unconsolidated Financial Information, as restated”) and unconsolidated other financial information (as described more in detail in paragraph 4(e) below, referred as “unconsolidated other financial information”) for the years then ended of Advanced Enzyme Technologies Limited (the ‘Company’), as approved by the Board of Directors of the Company, prepared by Company’s management in terms of the requirements of Section 26(1)(b) of the Companies Act, 2013 (“the Act”) read with rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Part (B) of Item (IX) of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended to date (“SEBI Regulations”) and in terms of our engagement agreed upon with you in accordance with our engagement letter dated October 09, 2015 and the Guidance Note on ‘Reports in Company’s Prospectus (Revised)’ issued by the Institute of Chartered Accountants of India, for the purpose of inclusion in the Red Herring Prospectus in connection with the proposed issue of equity shares of the Company.
2. Financial information has been prepared by the Company’s management from the audited standalone financial statements for the year ended March 31, 2016, 2015, 2014, 2013 and 2012.
3. We have not examined any unconsolidated financial information of the Company as of any date or for any period subsequent to March 31, 2016. Accordingly, we do not express any opinion on the financial position, results of operations or cash flows of the Company as of any date or for any period subsequent to March 31, 2016.
4. In accordance with the requirements of Section 26(1)(b) of the Act, the SEBI Regulations and the terms of our engagement agreed with you, we further report that:
 - a. The Unconsolidated Summary Statement of Assets and Liabilities, as restated, of the Company as at March 31, 2016, 2015, 2014, 2013 and 2012 examined by us, as set out in Annexure I to this report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in Statement of Notes to the Unconsolidated Financial Information, as restated, in Annexure IV(6).
 - b. The Unconsolidated Summary Statement of Profit and Loss, as restated, of the Company for the year ended March 31, 2016, 2015, 2014, 2013 and 2012 examined by us, as set out in Annexure II to this report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in Statement of Notes to the Unconsolidated Financial Information, as restated, in Annexure IV(6).
 - c. The Unconsolidated Statement of Cash Flows, as restated, of the Company for the year ended March 31, 2016, 2015, 2014, 2013 and 2012 examined by us, as set out in Annexure III to this report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in Statement of Notes to the Unconsolidated Financial Information, as restated, in Annexure IV(6).
 - d. Based on the above, we are of the opinion that the Unconsolidated Financial Information, as restated:
 - i. Have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods.
 - ii. Have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate.
 - iii. And do not contain any extra-ordinary items that need to be disclosed separately and do not contain any qualification requiring adjustments.
 - e. We have also examined the following “unconsolidated other financial information” prepared by the Company’s management and approved by the Board of Directors, relating to the Company, for the year ended March 31, 2016, 2015, 2014, 2013 and 2012.
 - i. Unconsolidated Statement of Accounting and other ratios, as restated, Annexure XXIX.
 - ii. Unconsolidated Statement of Related party disclosures, as restated, Annexure XXX.
 - iii. Unconsolidated Statement of Capitalisation, Annexure XXXI.
 - iv. Unconsolidated Statement of Dividend declared, Annexure XXXII.
 - v. Unconsolidated Statement of Tax shelter, Annexure XXXIII.

In our opinion, the Unconsolidated Financial Information, as restated and unconsolidated other financial information contained in Annexure XXIX to XXXIII of this report read along with the Statement of Notes to the Unconsolidated Financial Information, as restated, in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with Section 26(1)(b) of the Act and SEBI Regulations.

5. This report should not be in any way construed as a re-issuance or re-dating of any of the previous audit report issued by us nor should it be construed as a new opinion on any of the financial statements referred to therein.
6. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
7. Our report is intended solely for use of the Company's management in connection with the proposed issue of equity shares of the Company. Our report should not be used for any other purpose except with our consent in writing.

For **Walker Chandiok & Co LLP**
(formerly Walker, Chandiok & Co.)

Chartered Accountants

Firm Registration No: 001076N/N500013

Sudhir N. Pillai

Partner

Membership Number: 105782

Place: Mumbai

Date: 29 June 2016

Particulars	Annexure	As at March 31,				
		2016	2015	2014	2013	2012
Equity and liabilities						
Shareholders' funds						
(a) Share capital	V	217.66	217.66	217.66	217.66	207.32
(b) Reserves and surplus	VI	1,530.78	1,344.03	1,161.46	1,074.66	608.27
Non-current liabilities						
(a) Long-term borrowings	VII	156.01	51.48	151.26	269.00	343.12
(b) Deferred tax liabilities (net)	VIII	157.59	147.70	144.45	132.62	53.02
(c) Long-term provisions	XII	1.75	-	-	-	-
Current liabilities						
(a) Short-term borrowings	IX	294.52	223.75	317.39	234.02	308.70
(b) Trade payables	X					
total outstanding dues to micro and small enterprises		1.82	1.34	1.55	5.02	5.48
total outstanding dues to others		95.99	73.96	89.26	172.28	166.19
(c) Other current liabilities	XI	134.11	146.95	164.70	155.35	163.61
(d) Short-term provisions	XII	25.21	19.06	29.24	70.86	62.24
Total		2,615.44	2,225.93	2,276.97	2,331.47	1,917.95
Assets						
Non-current assets						
(a) Fixed assets						
Tangible assets		1,012.31	1,057.17	1,099.13	1,136.66	475.36
Intangible assets		0.53	0.06	0.13	0.17	0.63
Intangible assets under development		61.97	49.54	11.34	-	-
Capital work in progress		18.35	2.43	5.02	0.51	591.52
(b) Non-current investments	XIII	530.79	273.22	280.20	279.63	137.20
(c) Long-term loans and advances	XIV	178.22	159.83	162.36	136.14	122.54
(d) Other non-current assets	XV	1.27	0.37	1.08	1.00	0.89
Current assets						
(a) Inventories	XVI	474.02	393.78	366.87	356.30	198.22
(b) Trade receivables	XVII	227.82	244.18	284.40	335.31	282.77
(c) Cash and bank balances	XVIII	15.36	9.54	18.41	19.20	33.42
(d) Short-term loans and advances	XIV	28.35	28.58	41.48	60.62	63.61
(e) Other current assets	XIX	66.45	7.23	6.55	5.93	11.79
Total		2,615.44	2,225.93	2,276.97	2,331.47	1,917.95

Note:

The above statement should be read with the Statement of Notes to the Unconsolidated Financial Information, as restated of the Company in Annexure IV.

As per our report of even date attached

For Walker Chandiok & Co LLP

(formerly Walker, Chandiok & Co)

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sudhir N. Pillai

Partner

Membership No: 105782

Place : Mumbai

Date : 29 June 2016

For and on behalf of board of directors**Savita Rathi**

Director

DIN : 00365717

Beni. P. Rauka

Chief Financial Officer

Place : Thane

Date : 27 June 2016

Kedar Desai

Director

DIN : 00322581

Prabal Bordiya

Company Secretary

Particulars	Annexure	For the year ended March 31,				
		2016	2015	2014	2013	2012
Revenue						
Revenue from operations	XX	1,391.41	1,258.79	1,357.64	1,416.37	1,129.51
Other income	XXI	8.03	13.66	10.67	22.20	32.48
Total revenue		1,399.44	1,272.45	1,368.31	1,438.57	1,161.99
Expenses						
Cost of materials consumed	XXII	470.48	381.03	434.53	512.68	395.47
Changes in inventories of finished goods and work- in-progress	XXIII	(56.98)	(11.50)	(65.96)	(85.41)	(38.56)
Employee benefit expenses	XXIV	243.43	186.91	180.84	153.80	127.39
Finance costs	XXV	43.71	46.56	82.84	37.78	36.98
Depreciation and amortisation expense	XXVI	73.85	79.84	91.17	70.71	52.08
Other expenses	XXVII	364.62	361.87	406.91	440.47	341.37
Total expenses		1,139.11	1,044.71	1,130.33	1,130.03	914.73
Profit before tax and exceptional items		260.33	227.74	237.98	308.54	247.26
Exceptional items	XXVIII	-	-	120.57	-	-
Profit before tax		260.33	227.74	117.41	308.54	247.26
Tax expense						
Current tax		56.47	45.98	24.82	64.72	51.52
MAT credit entitlement		(18.53)	(19.11)	(18.36)	(50.33)	(5.00)
Deferred tax		9.89	4.25	11.83	79.60	(17.04)
		47.83	31.12	18.29	93.99	29.48
Profit after tax		212.50	196.62	99.12	214.55	217.78

Note:

The above statement should be read with the Statement of Notes to the Unconsolidated Financial Information, as restated of the Company in Annexure IV.

As per our report of even date attached

For Walker Chandiok & Co LLP

(formerly Walker, Chandiok & Co)

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sudhir N. Pillai

Partner

Membership No: 105782

Place : Mumbai

Date : 29 June 2016

For and on behalf of board of directors**Savita Rathi**

Director

DIN : 00365717

Beni. P. Rauka

Chief Financial Officer

Place : Thane

Date : 27 June 2016

Kedar Desai

Director

DIN : 00322581

Prabal Bordiya

Company Secretary

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
A. Cash flows from operating activities					
Profit before tax, as restated	260.33	227.74	117.41	308.54	247.26
Adjustments for non-cash transactions					
Adjustments to opening reserve on account of restatement items	-	-	-	-	(4.78)
Depreciation and amortisation expense	73.85	79.84	91.17	70.71	52.08
Fixed assets written off	-	3.96	-	-	5.05
(Profit)/ Loss on sale of fixed assets	0.08	(1.54)	0.51	-	0.16
(Profit)/Loss on sale of investments (net)	-	-	(0.38)	-	-
Investments written off	-	14.53	-	8.77	-
Allowances for bad and doubtful advances	-	-	1.20	-	-
Bad debts written off	1.97	1.62	1.60	0.08	-
Doubtful advances written off	-	2.04	3.50	1.57	2.16
Excess provision written back	(0.06)	-	-	(0.21)	(0.19)
Sundry balances written back	(0.29)	(1.02)	-	(1.35)	(9.34)
Sundry balances written off	0.64	0.42	2.00	3.15	14.63
Unrealised foreign exchange (gain) / loss	(2.09)	4.09	18.90	(0.18)	(1.71)
	334.43	331.68	235.91	391.08	305.32
Items considered separately					
Interest income	(1.92)	(3.22)	(4.40)	(8.01)	(14.08)
Interest expenses	36.66	38.15	43.74	33.93	32.16
Dividend income	(2.40)	(5.10)	(2.40)	(2.40)	-
Operating profit before working capital changes	366.77	361.51	272.85	414.60	323.40
Changes in working capital					
Increase / (decrease) in other current liabilities and provisions	53.74	4.80	(13.54)	4.85	(7.35)
Increase / (decrease) in trade payables	22.87	(15.14)	(86.03)	5.70	89.50
(Increase) / decrease in inventories	(80.23)	(26.92)	(10.57)	(158.07)	(34.95)
(Increase) / decrease in trade receivables	13.91	37.88	46.05	(52.37)	(60.28)
(Increase) / decrease in short-term loans and advances	(2.66)	4.68	13.40	(0.09)	(30.62)
(Increase) / decrease in other current assets	(18.28)	-	-	-	-
(Increase) / decrease in long-term loans and advances	16.03	22.62	9.20	36.60	2.59
Cash generated from operating activities	372.15	389.43	231.36	251.22	282.29
Income taxes paid	(57.19)	(58.36)	(54.57)	(71.43)	(31.06)
Net cash generated from operating activities	314.96	331.07	176.79	179.79	251.23
B. Cash flows from investing activities					
Purchase of tangible assets including capital work-in progress and capital advances	(93.43)	(41.57)	(60.63)	(135.34)	(316.58)
Proceeds from sale of tangible assets	0.31	4.32	0.40	-	0.06
Expenditure on intangible assets under development	(12.43)	(38.20)	(11.34)	-	-
Purchase of intangible assets	(0.63)	-	-	(0.17)	-
Purchase of non-current investments	(257.57)	(7.55)	(1.77)	(151.20)	(88.46)
Proceeds from sale of non-current investments	-	-	1.58	-	-
Interest received	4.45	7.74	3.31	7.79	9.93
Dividends received	2.40	5.10	2.40	2.40	-
(Placement)/Redemption of fixed deposits with maturity more than 3 months but less than 12 months (net)	0.80	2.66	(0.74)	(2.32)	0.62
(Placement)/Redemption of fixed deposits with maturity of more than 12 months (net)	(0.90)	0.71	(0.08)	(0.11)	(0.87)
Net cash (used in) investing activities	(357.00)	(66.79)	(66.87)	(278.95)	(395.30)

Advanced Enzyme Technologies Limited

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
C. Cash flows from financing activities					
Proceeds from issue of share capital	-	-	-	299.98	-
(Repayment of)/ proceeds from long-term borrowings (net)	35.24	(126.04)	(113.60)	(84.79)	77.00
(Repayment of)/ proceeds from short-term borrowings (net)	72.96	(93.63)	83.37	(74.68)	46.24
Interest paid	(35.41)	(38.15)	(43.74)	(33.93)	(32.16)
Dividends paid (including dividend tax)	(24.13)	(12.67)	(37.48)	(23.96)	(12.10)
Net cash (used in) / generated from financing activities	48.66	(270.49)	(111.45)	82.62	78.98
Net (decrease) / increase in cash and cash equivalents (A +B + C)	6.62	(6.21)	(1.53)	(16.54)	(65.09)
Cash and cash equivalents as at the beginning of the year	8.71	14.92	16.45	32.99	98.08
Cash and cash equivalents as at the end of the year*	15.33	8.71	14.92	16.45	32.99
* Composition of cash and cash equivalents					
Cash on hand	0.53	0.46	0.57	0.43	0.78
Balance with banks :					
Current accounts	2.17	5.18	5.36	7.92	29.00
Fixed deposit accounts with maturity less than 3 months	2.48	2.62	8.20	7.62	2.86
Other bank balances	10.15	0.45	0.79	0.48	0.35
	15.33	8.71	14.92	16.45	32.99

Notes:

- 1) The above statement should be read with the Statement of Notes to the Unconsolidated Financial Information, as restated of the Company in Annexure IV.
- 2) The cash flow statement has been prepared under indirect method as set out in Accounting Standard 3, 'Cash Flow Statement' as notified by the Central Government under the Companies Act, 2013.

As per our report of even date attached

For Walker Chandiok & Co LLP

(formerly Walker, Chandiok & Co)

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sudhir N. Pillai

Partner

Membership No: 105782

Place : Mumbai

Date : 29 June 2016

For and on behalf of board of directors
Savita Rathi

Director

DIN : 00365717

Kedar Desai

Director

DIN : 00322581

Beni. P. Rauka

Chief Financial Officer

Prabal Bordiya

Company Secretary

Place : Thane

Date : 27 June 2016

1 Background of the Company

Advanced Enzyme Technologies Limited ('the Company') was incorporated on 15 March 1989. The Company is engaged in the business of manufacturing and sales of enzymes.

2 Basis of preparation of financial statements

The Unconsolidated Summary Statement of Assets and Liabilities, as restated of the Company as at March 31, 2016, 2015, 2014, 2013 and 2012, the Unconsolidated Summary Statement of Profit and Loss, as restated and the Unconsolidated Summary Statement of Cash Flows, as restated for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 and the annexures thereto (collectively referred as 'Unconsolidated Financial Information, as restated') have been compiled by the management from the then audited standalone financial statements of the Company for the years ended, March 31, 2016, 2015, 2014, 2013 and 2012.

The audited standalone financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) to comply in all material respects with the accounting standards specified under Section 133 of the Companies Act, 2013 (the "Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act/ Companies Act, 1956, as applicable. The audited standalone financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used for the purpose of preparation of financial statements as at and for the period ended March 31, 2016, except for change in accounting policy detailed in Note 5 in Annexure IV.

The Unconsolidated Financial Information have been prepared to comply in all material respects with the requirements of Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of the Companies Act, 2013, as amended read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended and the relevant provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines") issued by SEBI on August 26, 2009 as amended from time to time.

3 Use of estimates

The preparation of unconsolidated financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumption that affect the reported amounts of assets and liabilities, revenue and expenses and disclosure of contingent liabilities. The estimates and assumptions used in financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods.

4 Significant accounting policies:**a. Revenue recognition**

- i. Revenue is recognised to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured.
- ii. Revenue from sale of goods is recognised on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to the customer/agent and no effective ownership is retained. Sales are inclusive of excise duty and net of sales tax and discounts.
- iii. Export incentives received pursuant to the Duty Drawback Scheme and Status holder scrip incentive are accounted on an accrual basis, to the extent it is probable that realisation is certain.
- iv. Interest income is recognised on a time proportionate basis, taking into account the amount outstanding and the rates applicable.
- v. Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.
- vi. Income from services rendered is recognised based on agreements with the customers using the proportionate completion method, when services are performed and no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering of service. Income is recognised net of service tax, as applicable.

b. Fixed assets, depreciation and amortisation

- i. Fixed assets, both tangible and intangible are stated at cost of acquisition. Cost includes taxes, duties, freight and other incidental expenses related to acquisition and installation of the assets. Interest on borrowings to finance acquisition of fixed assets during qualifying period is capitalized.
- ii. Leasehold improvements represent expenses incurred towards civil work and interior furnishings on the leased premises.
- iii. Capital work in progress includes fixed assets not ready for their intended use and related incidental expenses and attributable interest.
- iv. Costs relating to acquisition of technical know-how and software are capitalized as Intangible Assets. Further, the revenue expenditure incurred for the development of product dossiers are grouped under "Intangible assets under development" to the extent such expenditure meet the criteria of Intangible Asset as defined in Accounting Standard (AS) 26.
- v. Upto March 31, 2014, the depreciation on the tangible fixed assets other than plant and equipment has been provided on Written Down Value method at the rates and in the manner prescribed in Schedule XIV of Companies Act, 1956 and on Plant and Equipment on Straight Line Method with reference to managements' assessment of the depreciation rates or at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956, whichever is higher.

From April 1, 2014, the Company has reviewed its policy for providing depreciation on its tangible fixed assets and has also reassessed their useful lives as per Part C of Schedule II of the Companies Act, 2013. The revised useful lives, as assessed by the management, match those specified in Part C of Schedule II of the Companies Act, 2013, for all classes of tangible assets.

Annexure IV: Statement of Notes to the Unconsolidated Financial Information, as restated

Depreciation on tangible fixed assets other than Plant and Equipment has been provided on Written Down Value method and on Plant and Equipment on Straight Line Method.

- vi. Leasehold improvements and leasehold land are depreciated over the unexpired primary period of lease except for lease hold land acquired under perpetual lease.
- vii. Intangible Assets that are ready for use are amortized on a straight line basis over a period of four years.
- viii. Items of fixed assets that are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of profit and loss.

c. Investments

Investments are classified into long-term investments and current investments. Long-term investments are carried at cost. Provision for diminution in the value of long-term investments is not provided for unless it is considered other than temporary. Current investments are valued at lower of cost and net realisable value.

d. Foreign currency transactions

- i. Initial Recognition - Transactions denominated in foreign currencies are recorded at the rates of exchange prevailing on the date of the transaction.
- ii. Conversion - Monetary assets and liabilities denominated in foreign currency are converted at the rate of exchange prevailing on the date of the Balance sheet .Non-monetary assets and liabilities denominated in foreign currency are reported at the rate of exchange prevailing on the date of transaction.
- iii. Exchange differences - All exchange differences arising on settlement/conversion on foreign currency transactions are included in the Statement of Profit and Loss in the period/year in which they arise.

e. Derivative instruments

- i. The Company limits the effects of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into forward exchange contracts, where the counterparty is a bank.
- ii. As per Accounting Standard ('AS') 11 - The Effects of Changes in Foreign Exchange Rates', the premium or the discount on forward exchange contracts not relating to firm commitments or highly probable forecast transactions and not intended for trading or speculation purpose is amortized as expense or income over the life of the contract. All other derivatives, which are not covered by AS 11, are measured using the mark-to-market principle and losses, if any, are recognised in the Statement of Profit and Loss.

f. Impairment of assets

In accordance with Accounting Standard (AS) 28 on 'Impairment of Assets', the carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of the assets or where applicable, that of the cash generating unit to which the asset belongs is estimated as the higher of its net selling price and its value in use. An impairment loss is recognized whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment loss is recognized in the Statement of Profit and Loss or against revaluation surplus, as applicable.

g. Inventories

- i. Inventories of stores, spares, packing materials, raw materials, finished goods and work-in-progress are valued at lower of cost or net realisable value.
- ii. Cost of raw materials, stores, spares and packing materials is determined on first-in-first-out basis except for stock of not ordinarily interchangeable raw materials, which are determined on their specific individual costs. Cost of finished goods and work-in-progress is determined by considering materials, labour and other related costs incurred in bringing the inventories to their present condition and location. Cost of finished goods and work-in-progress is determined on specific identification method.

h. Employee benefits

- i. All short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.
- ii. Defined contribution plans

The Company contributes to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 that is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which the employee renders services.

Superannuation benefits, a defined contribution plan, have been funded with Life Insurance Corporation of India and the contribution is charged to Statement of Profit and Loss when the contribution to the Fund is due.

- iii. Defined benefit plans

The Company provides for gratuity benefit and leave encashment, which are defined benefit plans, covering all its eligible employees. Liability towards gratuity benefits and leave encashment is determined on actuarial valuation done by Life Insurance Corporation of India (LIC) during the year, based upon which the Company contributes to the schemes with LIC. The Company also provides for the additional liability over the amount determined by LIC based on an actuarial valuation done by an independent actuary as at the balance sheet date and actuarial gains/losses are charged to the Statement of Profit and Loss.

The short-term provision for leave encashment has been calculated on undiscounted basis, based on the balance of leave available over and above the maximum accumulation allowed as per the Company policy.

i. Income taxes**Current tax**

Current tax is computed and provided for in accordance with the applicable provisions of the Income Tax Act, 1961.

Deferred tax

Deferred tax is recognised on timing differences, being the difference between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the Company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that such deferred tax assets can be realized against future taxable profits.

At each balance sheet date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid during the year is charged to the Statement of Profit and Loss as current tax. The company recognizes MAT credit available as an asset when it is probable that the future economic benefit associated with it will flow to the Company, i.e., the Company will pay normal income tax during the period for which MAT Credit is allowed to be carried forward. In the period/year in which the Company recognizes MAT Credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT credit entitlement."

j. Borrowing costs

Borrowing costs incurred on constructing or acquiring a qualifying asset are capitalized as cost of that asset until it is ready for its intended use or sale. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue and recognised as an expense in the Statement of Profit and Loss.

k. Research and development costs

Research and development costs incurred for development of products are expensed as incurred, except for development costs that relate to the design and testing of new or improved materials, products or processes, which are recognised as an intangible asset to the extent that it is technically feasible to complete the development of such asset and future economic benefits are expected to be generated from such assets. Capital expenditure on research and development is included as part of fixed assets and depreciated on the same basis as other fixed assets.

l. Provisions and contingencies

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

m. Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss.

n. Earnings per share

The basic earnings per equity share is computed by dividing the net profit attributable to the equity shareholders for the reporting period by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares, which may be issued on the conversion of all dilutive potential shares, unless the results would be anti dilutive.

o. Cash and cash equivalents

Cash comprises of cash at bank and in hand and cash equivalents comprise of short-term bank deposits with an original maturity of three months or less.

p. Operating cycle

Based on the nature of goods/ activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

5 Change in accounting policy

During the years ended March 31, 2016, 2015 and 2014, Company had incurred expenditure on toxicity studies, product characterization, identification, evaluation and on technical analysis of data and consultancy services for compilation of product dossiers, for the purpose of registration under European Food Safety Authority (EFSA), which is mandatory requirement for export of food enzymes, food flavorings and additives to European countries. The Company will be permitted to sell its registered products, therefore it is considered as product permits to sell in European market.

From 1 April 2014, the management has changed its policy and has capitalized such expenditure as per Accounting Standard - 26 to the extent it meets the criteria for recognition of Intangible assets. Since the final approvals for product dossiers filed with EFSA are currently awaited,

Annexure IV: Statement of Notes to the Unconsolidated Financial Information, as restated

such expenditure had been capitalized as “Intangible assets under development” in the financial statements. However, during the year ended March 31, 2014 such expenses were charged to the Statement of Profit and Loss thereby treating it as revenue expenditure under the head Legal and professional charges.

For the purpose of Unconsolidated Financial Information, as restated, expenses incurred during the year ended March 31, 2014 have been capitalized as “Intangible assets under development”.

6. Restatement adjustments, Material regroupings and Non-adjusting items

- (a) Impact of restatement adjustments Below mentioned is the summary of results of restatement adjustments made in the audited standalone financial statements of the respective years and its impact on profits and losses.

Rs. in million

Sr no	Particulars	Note reference	For the year ended March 31,				
			2016	2015	2014	2013	2012
i	Excess provision no longer required written back	6(b)(i)					
	Prior to restatement adjustment		0.06	-	0.63	0.31	1.06
	Restatement adjustment		-	-	(0.63)	(0.10)	(0.87)
	As restated		0.06	-	-	0.21	0.19
ii	Miscellaneous income	6(b)(i)					
	Prior to restatement adjustment		1.65	2.55	0.73	5.61	14.10
	Restatement adjustment		(1.25)	(0.62)	-	1.17	(2.40)
	As restated		0.40	1.93	0.73	6.78	11.70
iii	Depreciation of tangible assets	6(b)(ii)					
	Prior to restatement adjustment		73.69	79.77	92.28	68.92	50.78
	Restatement adjustment		-	-	(1.15)	1.15	-
	As restated		73.69	79.77	91.13	70.07	50.78
iv	Provision for doubtful debts/ advances	6(b)(iii)					
	Prior to restatement adjustment		-	1.20	-	1.30	1.65
	Restatement adjustment		-	(1.20)	1.20	(1.30)	(1.65)
	As restated		-	-	1.20	-	-
v	Bad debts written off	6(b)(iv)					
	Prior to restatement adjustment		3.59	0.71	1.03	0.06	0.85
	Restatement adjustment		(1.62)	0.91	0.57	0.02	(0.85)
	As restated		1.97	1.62	1.60	0.08	-
vi	Miscellaneous expenses	6(b)(v)					
	Prior to restatement adjustment		14.37	10.96	12.68	10.70	7.14
	Restatement adjustment		-	1.23	(1.80)	0.07	2.77
	As restated		14.37	12.19	10.88	10.77	9.91
vii	Legal and professional charges	6(b)(vii)					
	Prior to restatement adjustment		23.11	43.81	53.31	47.13	33.68
	Restatement adjustment		-	-	(11.34)	-	-
	As restated		23.11	43.81	41.97	47.13	33.68

Sr no	Particulars	Note reference	For the year ended March 31,				
			2016	2015	2014	2013	2012
viii	Share issue expenses written off	6(b)(viii)					
	Prior to restatement adjustment		-	-	11.23	-	-
	Restatement adjustment		-	-	(9.91)	9.91	-
	As restated		-	-	1.32	9.91	-
ix	Advances/assets written off	6(b)(vi)					
	Prior to restatement adjustment		5.07	3.41	1.61	-	3.94
	Restatement adjustment		(5.07)	(1.37)	1.89	1.57	(1.78)
	As restated		-	2.04	3.50	1.57	2.16
x	Prior period items	6(b)(ix)					
	Prior to restatement adjustment		-	-	-	-	0.24
	Restatement adjustment		-	-	-	-	(0.24)
	As restated		-	-	-	-	-
xi	Contribution to gratuity, provident fund and other funds	6(b)(x)					
	Prior to restatement adjustment		20.46	13.60	9.41	9.14	9.03
	Restatement adjustment		-	(4.27)	1.26	1.11	0.96
	As restated		20.46	9.33	10.67	10.25	9.99
xii	Current tax expense (net of MAT credit entitlement)	6(b)(xi)					
	Prior to restatement adjustment		36.06	26.93	-	17.75	46.52
	Tax impact on restatement item		1.88	(0.06)	6.46	(3.36)	(0.00)
	As restated		37.94	26.87	6.46	14.39	46.52
xiii	Deferred tax charge	6(b)(xi)					
	Prior to restatement adjustment		9.89	3.84	12.67	68.01	(5.88)
	Deferred tax impact on restatement item		-	0.41	(0.84)	11.59	(7.72)
	Deferred tax impact on account of other adjustments		-	-	-	-	(3.44)
	As restated		9.89	4.25	11.83	79.60	(17.04)
xiv	Profit before tax						
	Prior to restatement adjustment		254.88	223.66	98.77	320.03	248.21
	Restatement adjustments		5.44	4.07	18.66	(11.47)	(0.96)
	Other adjustment (rounding off)		0.01	0.01	(0.02)	(0.02)	0.01
	As restated		260.33	227.74	117.41	308.54	247.26
	Profit after tax, as restated (xiv-xiii-xii)		212.50	196.62	99.12	214.55	217.78

Note: A positive figure represent addition and figures in bracket represent deletion to the corresponding head in the audited financial statement for respective reporting period to arrive at the restated numbers.

(b) Explanatory notes for the restatement adjustments

- During the years ended March 31, 2016, 2015, 2014, 2013 and 2012, the Company had written-back excess provision created in the earlier years and sundry balances which were no longer payable. For the purpose of the Unconsolidated Financial Information, as restated, such amounts have been adjusted to the Unconsolidated Statement of Profit and Loss of the years in which these provisions and balances were recognised. Further, the opening retained earnings as at April 1, 2011 has been adjusted to reflect the impact of the items pertaining prior to March 31, 2011.
- During the year ended March 31, 2013, certain items of leasehold improvements of the Company were depreciated at the rate used by the Company to depreciate buildings as per the company's accounting policy instead of depreciating it over the period of lease. For the purpose of the Unconsolidated Financial Information, as restated, such items have been appropriately adjusted to the Unconsolidated Statement of Profit and Loss for the year ended March 31, 2013.

Annexure IV: Statement of Notes to the Unconsolidated Financial Information, as restated

- (iii) During the years ended March 31, 2015, 2013 and 2012, the Company had created Provision for doubtful debts/ advances which pertained to the receivables of earlier years. For the purpose of the Unconsolidated Financial Information, as restated, these amounts have been adjusted to the respective years in which such receivable was created. Further, the opening retained earnings as at April 1, 2011 has been adjusted to reflect the impact of the items pertaining prior to March 31, 2011.
- (iv) During the years ended March 31, 2016, 2015, 2014, 2013 and 2012, the Company had written-off bad debts which pertained to the receivables of earlier years. For the purpose of the Unconsolidated Financial Information, as restated these amounts have been adjusted to the respective years in which such receivable was created. Further, the opening retained earnings as at April 1, 2011 has been adjusted to reflect the impact of the items pertaining prior to March 31, 2011.
- (v) During the year ended March 31, 2015, 2014, 2013 and 2012, based on intimations/ orders received from various statutory authorities, certain adjustments pertaining to indirect taxes were accounted under the head Miscellaneous expenses which pertained to earlier years. For the purpose of the Unconsolidated Financial Information, such items have been appropriately adjusted to the respective years to which they relate. Further, opening retained earnings as at April 1, 2011 has been adjusted to reflect the impact of such items incurred prior to March 31, 2011.
- (vi) During the year ended March 31, 2016, 2015, 2014 and 2012, the Company had accounted certain expenditure on account of status holder incentive scrip and certain advances which were written off to the extent not recoverable/ realisable pertaining to earlier years. For the purpose of the Unconsolidated Financial Information, as restated these expenses have been charged off to the respective year in which such income/ advance was recognised/ recorded. Further, the opening retained earnings as at April 1, 2011 has been adjusted to reflect the impact of the items pertaining prior to March 31, 2011.
- (vii) As detailed in Note 5 to Annexure IV, the Company had changed its accounting policy to capitalise the expenditure incurred for registration of product dossier with European Food Safety Authority (EFSA). For the purpose of Unconsolidated Financial Information, as restated, expenses incurred during the year ended March 31, 2014 have been capitalized as "Intangible assets under development".
- (viii) During the year ended March 31, 2014, certain share issue expenses which were disclosed under Other non-current assets were charged to Statement of Profit and Loss. For the purpose of the Unconsolidated Financial Information, as restated, such items have been appropriately adjusted to the Unconsolidated Statement of Profit and Loss of the year in which such expenses were incurred i.e. year ended March 31, 2013.
- (ix) In the audited financial statements for the year ended March 31, 2012, the Company had accounted for certain transactions as prior period items. Accordingly, in the preparation of the Unconsolidated Financial Information, as restated, the effect of these prior period items have been adjusted in the opening retained earnings as at April 1, 2011 to reflect the impact of the items pertaining prior to March 31, 2011.
- (x) During the year ended March 31, 2015, the management decided to provide additional gratuity benefit to the eligible employees whose gratuity allowances were earlier restricted to monetary limit of Rs. 1.00 million which resulted in an additional charge of Rs. 4.27 million pertaining to earlier years. For the purpose of Unconsolidated Financial Information, as restated such additional charge has been adjusted to the respective years to which it relates. Further, the opening retained earnings as at April 1, 2011 has been adjusted to reflect the impact of the items pertaining prior to March 31, 2011.
- (xi) Current tax expense and deferred tax charge has been computed on restatement adjustments as detailed above and has been adjusted in the Unconsolidated Financial Information, as restated, for the years ended March 31, 2016, 2015, 2014, 2013 and 2012.
- (c) Restatement adjustments made to the audited opening balance figure of the Surplus in the Statement of Profit and Loss as at April 1, 2011:**

Rs in million

Particulars	Amount
Surplus in the Statement of Profit and Loss as at April 1, 2011 as per audited financial statements	395.54
Adjustments:	
Excess provisions written back (Refer Note 6(b)(i) above)	1.21
Miscellaneous expenses (Refer Note 6(b)(v) above)	0.77
Advances/assets written off (Refer Note 6(b)(vi) above)	(4.76)
Provision for doubtful debts/advances (Refer Note 6(b)(iii) above)	(2.95)
Bad debts written off (Refer Note 6(b)(iv) above)	(0.96)
Prior period items (Refer Note 6(b)(ix) above)	(0.24)
Contribution to gratuity, provident fund and other funds (Refer Note 6(b)(x) above)	(0.94)
Miscellaneous income (Refer Note 6(b)(i) above)	3.09
Surplus in the Statement of Profit and Loss as at April 1, 2011 as restated	390.76

(d) Material Regroupings

- (i) With effect from April 1 2014, Schedule III notified under the Companies Act, 2013 has become applicable to the Company for preparation and presentation of its financial statements. Revised Schedule VI notified under the Companies Act, 1956 became applicable to the Company from April 1, 2011, for preparation and presentation of its financial statements. The adoption of Schedule III / Revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. Further, there is no significant impact on the presentation and disclosures made in the financial statements on adoption of Schedule III as compared to Revised Schedule VI.
- (ii) Appropriate adjustments have been made in the Unconsolidated Financial Information, as restated, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company as at and for the year ended March 31, 2016, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).
- (iii) Upto the year ended March 31, 2013, the current portion of unsecured borrowings on account of fixed deposits was disclosed under Short-term borrowings. Accordingly, the same has been appropriately disclosed separately under Other current liabilities consistent with other years in the Unconsolidated Summary of Assets and Liabilities, as restated.

Annexure IV: Statement of Notes to the Unconsolidated Financial Information, as restated

- (iv) Upto the year ended March 31, 2014, the current portion of Loans and advances to related parties was disclosed under Short-term loans and advances. Accordingly, the same has been appropriately disclosed separately under Other current assets consistent with other years included in the Unconsolidated Summary of Assets and Liabilities, as restated.
- (v) Upto the year ended March 31, 2013, the MAT credit recoverable was disclosed under Long-term loans and advances as Advance income tax (net of provisions) and in the year ended March 31, 2015 and 2014 it was disclosed separately under Other non-current assets. Accordingly, the same has been appropriately disclosed separately under Long-term loans and advances in the Unconsolidated Summary of Assets and Liabilities, as restated.
- (vi) During the year ended March 31, 2012, a carrier carrying the sale consignment met with a road accident and the resultant loss of Rs. 1.51 million was disclosed as extraordinary item which was subsequently recovered through the insurance claim. For the purpose of Unconsolidated Financial Information, as restated such item has been regrouped appropriately.
- (vii) The audited financial statements for the years ended March 31, 2013 and 2012 were presented in whole numbers. The same have been presented in millions to be consistent with other years included in the Unconsolidated Financial Information, as restated.

(e) Non -adjusting items

For the financial years ended March 31 2014, 2013 and 2012, in addition to the audit opinion on the financial statements, the auditors were required to comment upon the matters included in the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government of India under sub section (4A) of Section 227 of the Act.

For the financial year ended March 31, 2016 and 2015 in addition to the audit opinion on the financial statements, the auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2016 (CARO-2016) and Companies (Auditor's Report) Order, 2015 (CARO - 2015) respectively as issued by the Central Government of India under sub section 11 of Section 143 of the Companies Act, 2013.

Certain statements/ comments included in audit opinion on the standalone financial statements, CARO, CARO - 2015 and CARO-2016, which do not require an adjustment in the Unconsolidated Financial Information, as restated are reproduced below in respect of the financial statements presented:

(i) Financial year ended March 31, 2016:**Companies (Auditor's Report) Order, 2016**

- (a) The dues outstanding in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:

Rs in million

Name of the statute	Nature of dues	Amount	Amount Paid Under Protest	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944 read with Cenvat Credit Rules, 2004	Service Tax	7.95	-	July 2010 to January 2015	Commissionerate of Central Excise, Customs and Service tax
Central Excise Act, 1944 read with Cenvat Credit Rules, 2004	Excise Duty	0.34	-	April 2012 to January 2015	Additional Commissioner of Central Excise, Customs and Service Tax
Central Excise Act, 1944 read with Cenvat Credit Rules, 2004	Excise Duty	1.51	-	July 2011 to January 2015	Additional Commissioner of Central Excise, Customs and Service Tax
Central Excise Act, 1944 read with Cenvat Credit Rules, 2004	Excise Duty	4.19	-	July 2010 to January 2015	Commissionerate of Central Excise, Customs and Service tax
Finance Act, 1944	Service Tax	7.51	-	August 2012 to March 2015	Commissionerate of Central Excise, Customs and Service tax
Central Excise Act, 1944 read with Cenvat Credit Rules, 2004	Service Tax	1.06	-	March 2015 to December 2015	Commissioner of Central Excise, Customs and Service tax
Central Excise Act, 1944 read with Cenvat Credit Rules, 2004	Excise Duty	0.60	-	March 2015 to December 2015	Commissioner of Central Excise, Customs and Service tax
Income Tax Act, 1961	Income Tax	0.40	-	Assessment Year 2004-05	Bombay High Court
Income Tax Act, 1961	Income Tax	48.36	16.00	Assessment Year 2010-11	Income Tax Appellate Tribunal, Mumbai
Income Tax Act, 1961	Income Tax	35.27	-	Assessment Year 2010-11	Commissioner, Appeals
Income Tax Act, 1961	Income Tax	57.40	8.00	Assessment Year 2011-12	Commissioner, Appeals
Income Tax Act, 1961	Income Tax	29.36	-	Assessment Year 2012-13	Commissioner, Appeals
Income Tax Act, 1961	Income Tax	0.18	-	Assessment Year 2013-14	Commissioner, Appeals

Annexure IV: Statement of Notes to the Unconsolidated Financial Information, as restated

- (b) The title deeds of all the immovable properties (which are included under the head 'fixed assets') are held in the name of the Company except for the following property:

Nature of property	Total Number of Cases	Whether leasehold /freehold	Gross block as on 31 March 2016	Net block on 31 March 2016	Remarks
Land	One	Leasehold	Rs. 12.57 million	Rs. 12.57 million	Company has not executed a formal lease deed for its land at Jalna, Maharashtra with Maharashtra Industrial Development Corporation.

(ii) Financial year ended March 31, 2015:

Companies (Auditor's Report) Order, 2015

- (a) The dues outstanding in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:

Rs in million

Name of the statute	Nature of dues	Amount	Amount Paid Under Protest	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	0.40	-	Assessment year 2004-05	Bombay High Court
Income Tax Act, 1961	Income tax	49.18	16.00	Assessment year 2010-11	Income Tax Appellate Tribunal, Mumbai
Income Tax Act, 1961	Income tax	35.27	-	Assessment year 2010-11	Commissioner, Appeals
Income Tax Act, 1961	Income tax	57.39	-	Assessment year 2011-12	Commissioner, Appeals

(iii) Financial year ended March 31, 2014:

Qualification- Main Audit Report

The auditors' report for the year ended March 31, 2014 included a qualification in respect of payment of managerial remuneration in excess of the allowable limits under Companies Act, 1956 without the previous approval of Central Government

Companies (Auditor's Report) Order, 2003

- (a) The dues outstanding in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:

Rs in million

Name of the statute	Nature of dues	Amount	Amount Paid Under Protest	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	0.40	-	Assessment year 2004-05	Bombay High Court
Income Tax Act, 1961	Income tax	0.79	-	Assessment year 2005-06	Commissioner, Appeals
Income Tax Act, 1961	Income tax	162.86	4.00	Assessment year 2010-11	Commissioner, Appeals
Income Tax Act, 1961	Income tax	57.38	-	Assessment year 2011-12	Commissioner, Appeals

- (b) Owing to the unique and specialized nature of the items involved and in the absence of any comparable prices, we are unable to comment as to whether the transactions made in pursuance of contracts or arrangements with parties covered under Section 301 of Companies Act, 1956 have been made at the prevailing market prices at the relevant time.

(iv) Financial year ended March 31, 2013:

Companies (Auditor's Report) Order, 2003

- (a) The dues outstanding in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:

Rs in million

Name of the statute	Nature of dues	Amount	Amount Paid Under Protest	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	0.79	-	Assessment year 2005-06	Commissioner, Appeals
Income Tax Act, 1961	Income tax	2.11	-	Assessment year 2009-10	Assistant Commissioners of Income Tax
Income Tax Act, 1961	Income tax	94.16	-	Assessment year 2010-11	Commissioner, Appeals
Central Excise Act, 1944	Excise duty	0.31	-	Financial year 2006-07	CESTAT

(v) Financial year ended March 31, 2012:

Companies (Auditor's Report) Order, 2003

- (a) The dues outstanding in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:

Rs in million

Name of the statute	Nature of dues	Amount	Amount Paid Under Protest	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	1.55	-	Assessment year 2004-05	Income Tax Appellate Tribunal, Mumbai
Income Tax Act, 1961	Income tax	0.79	-	Assessment year 2005-06	Commissioner, Appeals
Income Tax Act, 1961	Income tax	0.05	-	Assessment year 2008-09	Commissioner, Appeals
Central Excise Act, 1944	Excise duty	0.31	-	Financial year 2006-07	CESTAT

7 Capitalization of expenditure

The Company has capitalized the following expenses of revenue nature to the cost of tangible assets/ capital work in progress/ intangible assets under development. Consequently, expenses disclosed under the respective annexures are net of amounts capitalized by the Company.

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Salaries, wages and bonus	-	-	-	8.15	9.54
Power and fuel	-	-	-	21.06	8.94
Carriage inward and freight	-	-	-	-	0.81
Water charges	-	-	-	1.01	0.81
Rates and taxes	-	-	-	-	0.60
Legal and professional charges *	12.43	38.20	11.34	-	0.75
Travel, conveyance and car hire	-	-	-	0.27	0.81
Miscellaneous expenses	-	-	-	0.45	0.89
Finance costs	-	-	-	35.93	60.83
	12.43	38.20	11.34	66.87	83.98
Less: Interest income	-	-	-	-	2.53
	12.43	38.20	11.34	66.87	81.45

* The amounts pertaining to March 31, 2016, March 31, 2015 and 2014 have been capitalized under "Intangible assets under development".

8 Research and development costs

The Company has incurred the following revenue expenditure on research and development activities:

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Laboratory expenses and consumables	10.90	8.47	8.95	8.61	6.43
Employee benefit expenses	39.67	31.73	28.04	24.47	22.50
Legal and professional charges	10.13	27.73	24.47	30.23	21.01
Electricity	9.25	7.96	7.45	6.89	5.11
Rent, rates and taxes	4.97	4.58	4.81	4.35	4.35
Repair and maintenance	3.78	5.64	3.86	4.66	3.20
Travelling and conveyance expenses	1.48	1.13	0.88	1.06	0.79
Other expenses	3.16	4.07	2.81	2.07	1.15
	83.34	91.31	81.27	82.34	64.54
Less: Other non-operating income	1.58	-	-	-	-
	81.76	91.31	81.27	82.34	64.54

Annexure IV: Statement of Notes to the Unconsolidated Financial Information, as restated

The Company has incurred the following capital expenditure on research and development activities:

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Plant and equipments	11.99	2.93	26.69	7.37	7.94
Furniture and fixtures	2.93	-	0.45	6.40	6.14
Office equipment	2.13	0.56	0.59	1.80	4.05
Computer and data processing equipments	0.27	0.40	0.39	1.07	0.49
Leasehold improvements	-	-	0.18	10.51	-
	17.32	3.89	28.30	27.15	18.62

9 Earnings in foreign currency on accrual basis

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Export value of goods on FOB basis	459.49	446.01	563.84	580.61	508.77
Interest income	-	-	-	2.17	-
Other non-operating income	1.58	-	0.68	7.50	4.16
	461.07	446.01	564.52	590.28	512.93

10 Expenditure in foreign currency on accrual basis

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Travel, conveyance and car hire	2.63	2.98	3.03	2.58	2.20
Finance costs	4.71	10.76	17.02	19.19	19.09
Legal and professional charges	6.02	22.14	24.10	23.54	17.45
Other selling and distribution expenses	3.06	2.90	2.09	3.05	3.00
Commission	4.85	0.79	7.13	3.52	5.31
Salary	-	-	0.89	0.56	-
Others	0.03	-	0.97	0.21	0.01
	21.30	39.57	55.23	52.65	47.06

11 Value of imports on CIF basis

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Raw materials	229.41	186.48	107.79	206.20	116.97
Components and spare parts	17.81	6.96	26.49	26.34	13.95
Capital goods	11.58	2.40	13.88	5.71	18.88
	258.80	195.84	148.16	238.25	149.80

12 Imported and indigenous consumption

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Raw materials and components					
- Imported					
- Amount	257.76	179.45	151.88	179.47	143.25
- Percentage	55%	47%	35%	35%	36%
- Indigenous					
- Amount	212.72	201.58	282.65	333.21	252.22
- Percentage	45%	53%	65%	65%	64%
- Total					
- Amount	470.48	381.03	434.53	512.68	395.47
- Percentage	100%	100%	100%	100%	100%
Stores and spares					
- Imported					
- Amount	8.74	8.15	18.51	27.29	14.49
- Percentage	21%	26%	62%	55%	41%
- Indigenous					
- Amount	33.66	23.16	11.46	22.25	20.77
- Percentage	79%	74%	38%	45%	59%
- Total					
- Amount	42.40	31.31	29.97	49.54	35.26
- Percentage	100%	100%	100%	100%	100%

13 Payments to auditors (excluding service tax)

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
As auditor					
Statutory audit	1.80	1.30	1.18	1.24	1.00
Tax audit	-	-	-	-	-
	1.80	1.30	1.18	1.24	1.00
In other capacity					
Other services					
- In relation to filing of prospectus*	1.90	-	0.74	1.23	-
- Certification work	0.19	0.15	0.15	0.30	-
	2.09	0.15	0.89	1.53	-
Reimbursement of expenses	0.11	0.05	0.07	0.12	-
	4.00	1.50	2.14	2.89	1.00

*The amount for the year ended March 31, 2016 has been included in Share issue expenses under Annexure XIX.

14 Dividend remitted in foreign currency

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Period to which it relates	FY 2014-15	FY 2013-14	FY 2012-13	FY 2011-12	FY 2010-11
Number of non - resident shareholders	5	5	4	3	3
Number of equity shares held on which dividend was due (in million)	10.52	10.52	10.52	10.18	10.18
Amount remitted (Rs. in million)	5.26	5.26	15.77	10.18	5.09

15 Contingent liabilities and commitments

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
a) Contingent liabilities					
i) Pertains to income tax demand/ matters on account of deductions/ disallowances for earlier years, pending for appeals consequent to order passed against the Company/ demands raised by the Income Tax Department under Income Tax Act, 1961. Amount paid there against and included under Annexure XIV 'Loans and advances' (March 31, 2016 - Rs. 24.00 million, March 31, 2015 - Rs. 16.00 million and March 31, 2014 - Rs. 4.00 million).	170.97	142.24	221.43	97.40	2.75
ii) Pertains to excise duty and service tax demand raised by Commissioner of Central Excise, Customs and Service tax on account of inadmissible CENVAT credit, incorrect product classification and service tax levy on directors' remuneration for various periods.	23.16	-	-	-	-
iii) Possible liability arising for excise duty and service tax on account of observations for the earlier years through Excise Audit conducted by the excise authorities.	-	22.95	-	-	-
	194.13	165.19	221.43	97.40	2.75
b) Commitments					
Estimated amount of capital commitments remaining to be executed	4.24	1.09	12.62	5.07	6.02
	4.24	1.09	12.62	5.07	6.02
	198.37	166.28	234.05	102.47	8.77

16 Segment reporting

Primary segment

The Company operates only in one primary business segment viz. 'manufacturing and sales of enzymes' and hence no separate information for primary segment wise disclosure is required.

Secondary segment (based upon geography)

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Segment revenue (based upon location of customers)					
- Within India	919.70	802.31	771.79	823.48	607.55
- Outside India	471.71	456.48	585.85	592.89	521.96
	1,391.41	1,258.79	1,357.64	1,416.37	1,129.51

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Segment assets (based upon location of assets)					
- Within India	1,841.34	1,711.85	1,758.27	1,832.46	1,613.53
- Outside India	612.20	379.25	405.74	419.14	275.25
	2,453.54	2,091.10	2,164.01	2,251.60	1,888.78

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Capital expenditure					
- Within India	94.06	41.57	60.63	135.51	316.58
- Outside India	12.43	38.20	11.34	-	-
	106.49	79.77	71.97	135.51	316.58

17 Derivative instruments and unhedged foreign currency exposure

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Derivatives outstanding					
Hedging transaction with a bank for interest rate risk on External Commercial Borrowing sanctioned for USD 6.00 million	-	4.03	13.65	26.78	44.01
Forward Contract	-	-	16.98	30.54	-
Particulars of unhedged foreign currency exposure					
External commercial borrowings	-	93.89	180.30	244.75	306.94
Loans repayable on demand	53.61	116.63	-	8.35	-
Trade payables for imports	26.75	7.00	15.74	40.20	14.77
Trade receivables for exports	22.19	56.23	104.83	107.46	108.03
Loans and advances	0.05	3.05	12.17	6.07	32.34
Advances from customers	4.98	1.69	0.75	-	-
Other payables	-	1.38	1.37	-	-

Details of equivalent foreign currency

Figures in million

Particulars	Currency	As at March 31,				
		2016	2015	2014	2013	2012
Derivatives outstanding						
Forward Contract	USD	-	-	0.22	0.50	-
	EURO	-	-	0.05	0.03	-
Particulars of unhedged foreign currency exposure						
External commercial borrowings	USD	-	1.50	3.00	4.50	6.00
Loans repayable on demand	USD	0.81	1.86	-	0.15	-
Trade payables for imports	USD	0.35	0.05	0.25	0.73	0.27
	EURO	0.04	0.05	0.01	0.01	0.01
Trade receivables for exports	USD	0.33	0.78	1.64	1.62	1.99
	EURO	0.00 *	0.11	0.07	0.24	0.09
	CAD	-	-	-	0.05	-
Loans and advances	USD	0.00 *	0.05	0.14	0.11	0.60
	EURO	-	0.00 *	0.05	0.00 *	0.00 *
	HKD	-	-	-	-	0.27
Advances from customers	USD	0.07	0.03	0.01	-	-
	EURO	0.00 *	-	0.00 *	-	-
Other payables	USD	-	0.02	0.02	-	-

* These are non zero numbers rounded off in millions upto two decimal points.

18 Fixed assets held for sale

The Company has decided to sell the lease rights for one of its leasehold property situated at Jalna, Maharashtra. Accordingly, the cost of land aggregating Rs. 12.57 million along with the development costs aggregating Rs. 35.60 million has been classified as fixed assets held for sale.

Annexure V: Statement of Share capital, as restated

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Authorised share capital					
Equity shares of Rs. 10 each					
- Number of shares in million	35.00	35.00	35.00	35.00	35.00
- Amount in Rs. million	350.00	350.00	350.00	350.00	350.00
Issued, subscribed and fully paid up					
Equity shares of Rs. 10 each					
- Number of shares in million	21.77	21.77	21.77	21.77	20.73
- Amount in Rs. million	217.66	217.66	217.66	217.66	207.32

a) Reconciliation of equity share capital

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Balance at the beginning of the year					
- Number of shares in million	21.77	21.77	21.77	20.73	20.73
- Amount in Rs. million	217.66	217.66	217.66	207.32	207.32
Add: Share issued during the year					
- Number of shares in million	-	-	-	1.04	-
- Amount in Rs. million	-	-	-	10.34	-
Balance at the end of the year					
- Number of shares in million	21.77	21.77	21.77	21.77	20.73
- Amount in Rs. million	217.66	217.66	217.66	217.66	207.32

b) Shareholding structure

Shareholders holding more than 5% of the shares of the company

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Equity shares of Rs 10 each					
Mr. Vasant L. Rath					
- Number of shares in million	8.28	8.28	8.28	8.88	8.94
- Percentage of holding (%)	38.05%	38.05%	38.05%	40.80%	43.14%
Chandrakant Rath Finance and Investment Company Private Limited					
- Number of shares in million	4.30	3.63	3.63	3.62	3.62
- Percentage of holding (%)	19.73%	16.66%	16.66%	16.63%	17.47%
Atharva Capital Ventures Private Limited					
- Number of shares in million	2.49	2.49	2.49	2.49	2.52
- Percentage of holding (%)	11.45%	11.45%	11.45%	11.45%	12.17%
Mrs. Prabha V. Rath					
- Number of shares in million	0.38	0.38	0.38	1.28	1.28
- Percentage of holding (%)	1.76%	1.76%	1.76%	5.90%	6.19%
Vasant and Prabha Rath Generation Trust					
- Number of shares in million	1.50	1.50	1.50	-	-
- Percentage of holding (%)	6.89%	6.89%	6.89%	-	-

c) Details of shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and brought back during the last 5 years

The Company has not issued any shares without payment being received in cash nor there has been any buy-back of shares in the current period and preceding five years.

d) Terms/Rights attached to shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The final dividend, if any, proposed by Board of Directors is subject to approval by the Shareholders. All shares rank pari passu on repayment of capital in the event of liquidation.

Annexure VI: Unconsolidated Statement of Reserves and surplus, as restated

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Capital reserves	3.00	3.00	3.00	3.00	3.00
Securities premium reserve					
Balance at the beginning of the year	289.63	289.63	289.63	-	-
Add : Additions made during the year	-	-	-	289.63	-
Balance at the end of the year	289.63	289.63	289.63	289.63	-
General reserve					
Balance at the beginning of the year	32.53	32.53	32.53	20.82	20.82
Add : Additions made during the year	-	-	-	11.71	-
Balance at the end of the year	32.53	32.53	32.53	32.53	20.82
Surplus in the Summary Statement of Profit and Loss					
Balance at the beginning of the year	1,018.87	836.30	749.50	584.45	390.76
Add : Transferred from Summary Statement of Profit and Loss, as restated	212.50	196.62	99.12	214.55	217.78
Add: Deferred tax liability reversed on carrying amount of tangible assets due to transitional provision as per Companies Act, 2013 *	-	1.00	-	-	-
Less : Interim dividend	21.77	-	-	-	-
Less : Proposed dividend	-	10.88	10.88	32.65	20.73
Less : Tax on dividends distributed during the year	3.97	1.18	1.44	5.14	3.36
Less : Transfer to general reserve	-	-	-	11.71	-
Less : Reversal of carrying amount of tangible fixed assets due to transitional provision as per Companies Act, 2013 *	-	2.99	-	-	-
Balance at the end of the year	1,205.63	1,018.87	836.30	749.50	584.45
	1,530.79	1,344.03	1,161.46	1,074.66	608.27

* Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be Nil as on 1 April 2014 and has adjusted an amount of Rs. 1.99 million (net of deferred tax of Rs. 1.00 million) against the opening surplus balance in the Statement of Profit and Loss under Reserves and Surplus as at 1 April 2014.

Annexure VII: Unconsolidated Statement of Long- term borrowings, as restated

Rs. in million

Particulars	As at March 31,									
	2016		2015		2014		2013		2012	
	Non current portion	Current maturities	Non current portion	Current maturities	Non current portion	Current maturities	Non current portion	Current maturities	Non current portion	Current maturities
Secured										
Term loans										
From banks	110.00	30.00	-	99.89	92.15	110.15	181.17	101.58	264.20	94.30
Vehicle loans	3.75	1.28	1.64	2.21	3.20	2.86	4.03	2.24	6.27	2.28
	113.75	31.28	1.64	102.10	95.35	113.01	185.20	103.82	270.47	96.58
Unsecured										
Fixed deposits										
- From directors	-	-	-	-	-	10.21	10.21	-	1.37	8.85
- From relatives of directors/ entities in which the directors are interested	-	-	-	-	-	0.41	11.05	0.30	4.00	9.85
- From other shareholders	-	-	-	-	-	1.44	-	-	0.45	-
- From others	-	-	-	-	-	0.13	1.16	0.35	0.68	0.84
Deferred sales tax payment liabilities	42.26	7.58	49.84	6.06	55.91	5.48	61.38	4.77	66.15	3.86
	42.26	7.58	49.84	6.06	55.91	17.67	83.80	5.42	72.65	23.40
	156.01	38.86	51.48	108.16	151.26	130.68	269.00	109.24	343.12	119.98
The above amount includes										
Amount disclosed under the head 'Other Current Liabilities'	-	38.86	-	108.16	-	130.68	-	109.24	-	119.98

Note:

The above includes the following outstanding balances (including current maturities) payable to promoters/ group companies/ subsidiaries and other related parties *:

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Unsecured long-term borrowings					
Promoters	-	-	10.21	10.21	10.21
Group companies	-	-	-	5.10	7.38
Others	-	-	0.41	6.25	6.48
	-	-	10.62	21.56	24.07

* For party wise details of the balances, refer note (b) to Annexure XXX.

Principal terms and conditions of long-term and short-term borrowings as at March 31, 2016**a) Term loans from bank**

Sr. no.	Lender	Amount outstanding as at March, 31 2016 (Rs. in million)	Rate of interest	Repayment schedule of loans	No. of installments outstanding as at March, 31 2016	Prepayment and default terms	Security provided
1	Kotak Mahindra Bank Limited	140.00	As agreed between the Bank and the Company at the time of disbursement. As on March 31, 2016, the applicable rate was Bank's base rate plus 1.00 % p.a.	In 60 equal monthly instalments commencing from 9 December 2015.	56	a) Pre-payment, prior to completion of the tenor of the facility, shall attract a penal charge of 2% on the outstanding loan amount if pre-payment is made within 1 year. Nil prepayment charges after 1 year if pre-paid through internal accruals. b) In case of default/ delay in repayment, amounts unpaid on due date shall attract interest at 2% per month compounded monthly.	1. First pari-passu charge by way of hypothecation on all the present and future plant, machinery and other fixed assets (both movable and immovable) of the Company; 2. First pari-passu charge by way of equitable/ registered mortgage on all the present and future land and building (immovable properties) of the Company. 3. Personal Guarantee of Mr. Chandrakant L. Rathi.

b) Demand loan from banks

Sr. no.	Lender	Amount outstanding as at March, 31 2016 (Rs. in million)	Rate of interest	Repayment schedule of loans	Prepayment and default terms	Security provided
1	Citibank N.A.		As agreed between the Bank and the Company. As on March 31, 2016, applicable rates were as follows:	Repayable on demand	a) Prepayment penalty at the rate of 2% of sanction amount or principal outstanding whichever is higher, at the discretion of Citi Bank N.A. b) Additional interest would be levied at 4 % p.a over and above the interest rate on the over dues/ delays/ default in payment of any dues.	1. First Pari Pasu charge on stocks and receivable. 2. Personal guarantee of Mr. Chandrakant L. Rathi.
	-Cash credit (CC)	21.95	CC - 10.50 % p.a.			
	-Working capital demand loan (WCDL)	75.00	WCDL - 9.60 % p.a.			
	-Export credit facility (ECF)	33.71	ECF - LIBOR plus 200 basis point			

Sr. no.	Lender	Amount outstanding as at March, 31 2016 (Rs. in million)	Rate of interest	Repayment schedule of loans	Prepayment and default terms	Security provided
2	HDFC Bank Limited	80.10	Bank's base rate plus 1.15 % p.a.	Repayable on demand	Penal interest would be levied at 2 % over and above the interest rate for all over dues or delay of sum payable.	1. First pari-pasu charge over the entire current assets of the company to be shared on Pari passu basis with other banks providing working capital facilities. 2. Personal Guarantee of Mr. Chandrakant L. Rathi.
3	Kotak Mahindra Bank Limited	63.84	As agreed between the Bank and the Company at the time of disbursement. As on March 31, 2016, the applicable rate was Bank's base rate plus 1.25 % p.a.	Repayable on demand	Penal interest would be levied at 2 % per month, compounded monthly for the amounts unpaid on due dates.	1. First Pari passu charge by way of hypothecation on all existing and future current assets of the Company. 2. Personal Guarantee of Mr. Chandrakant L. Rathi
4	DBS Bank Limited - Export credit facility (ECF)	19.91	ECF - LIBOR plus 125 basis point	Repayable on demand	In the event of default, additional interest @ 3% would be levied over the rate of interest on the overdue amount from the due date up to the date of actual payment.	1. First Pari passu charge on all existing and future current assets of the Company. 2. Personal Guarantee of Mr. C.L. Rathi

c) Vehicle loans

Sr. no.	Lender	Amount outstanding as at March, 31 2016 (Rs. in million)	Rate of interest	Repayment schedule of loans	No. of installments outstanding as at March, 31 2016	Security provided
1	HDFC Bank Limited	0.03	Fixed Interest rate 12.50%	To be repaid in 60 EMIs	6	Charge on the Vehicle purchased out of the amount financed.
2	Volkswagen Finance Private Limited	0.35	Fixed Interest rate 11.60%	To be repaid in 60 EMIs	29	Charge on the Vehicle purchased out of the amount financed.
3	Volkswagen Finance Private Limited	0.07	Fixed Interest rate 10.83%	To be repaid in 36 EMIs	4	Charge on the Vehicle purchased out of the amount financed.
4	Axis Bank Limited	0.64	Fixed Interest rate 10.59%	To be repaid in 60 EMIs	33	Charge on the Vehicle purchased out of the amount financed.
5	HDFC Bank Limited	0.55	Fixed Interest rate 10.50%	To be repaid in 60 EMIs	44	Charge on the Vehicle purchased out of the amount financed.
6	ICICI Bank	1.16	Fixed Interest rate 10.14%	To be repaid in 60 EMIs	48	Charge on the Vehicle purchased out of the amount financed.
7	ICICI Bank	1.31	Fixed Interest rate 10.15%	To be repaid in 60 EMIs	48	Charge on the Vehicle purchased out of the amount financed.
8	HDFC Bank Limited	0.37	Fixed Interest rate 9.90%	To be repaid in 60 EMIs	52	Charge on the Vehicle purchased out of the amount financed.
9	HDFC Bank Limited	0.55	Fixed Interest rate 9.75%	To be repaid in 60 EMIs	56	Charge on the Vehicle purchased out of the amount financed.

d) Details of guarantee for each type of borrowings

Guaranteed by Managing director

Rs. in million

Particulars	As at March 31, 2016
Term loans	
From banks (including current maturities)	140.00
Loans repayable on demand	
From banks	294.52

Annexure VIII: Unconsolidated Statement of Deferred tax liabilities (net), as restated

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Deferred tax liabilities					
Depreciation/amortisation charged for financial reporting and income tax purpose	164.45	154.81	148.50	135.59	66.05
Less: Liabilities reversed on carrying amount of tangible assets due to transitional provision as per Companies Act, 2013	-	1.00	-	-	-
Tax impact on restatement adjustments	-	-	-	0.44	-
	164.45	153.81	148.50	136.03	66.05
Deferred tax assets					
Tax impact on restatement adjustments	-	-	0.41	-	11.37
Provision for employee benefits	4.97	3.63	2.13	1.77	1.66
Others	1.89	2.48	1.51	1.64	-
	6.86	6.11	4.05	3.41	13.03
	157.59	147.70	144.45	132.62	53.02

Annexure IX: Unconsolidated Statement of Short- term borrowings, as restated

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Secured					
Loans repayable on demand					
From banks	294.52	223.75	317.39	233.78	308.45
	294.52	223.75	317.39	233.78	308.45
Unsecured					
Loans from related parties	-	-	-	0.24	0.25
	-	-	-	0.24	0.25
	294.52	223.75	317.39	234.02	308.70

The above includes the following outstanding balance payable to promoters/ group companies/ subsidiaries and other related parties *:

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Unsecured short-term borrowings					
Subsidiaries	-	-	-	0.24	0.25
	-	-	-	0.24	0.25

* For party wise details of the balances, refer note (b) to Annexure XXX.

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Total outstanding dues of micro enterprises and small enterprises (Also refer note (a) below)	1.82	1.34	1.55	5.02	5.48
Total outstanding dues of creditors other than micro enterprises and small enterprises	95.99	73.96	89.26	172.28	166.19
	97.81	75.30	90.81	177.30	171.67

Notes:

- a) Dues to micro, small and medium enterprises

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
1. Principal amount remaining unpaid	1.82	1.34	1.55	5.02	5.48
2. Interest due thereon	-	-	-	-	-
3. Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the period/year	-	-	-	-	-
4. Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period/year) but without adding the interest specified under MSMED Act, 2006	-	-	-	-	-
5. Interest accrued and remaining unpaid as at balance sheet date	-	-	-	-	-
6. Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-	-	-	-
	1.82	1.34	1.55	5.02	5.48

The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA). Accordingly, the disclosure in respect of the amounts payable to such enterprises has been made in the financials statements based on information received and available with the Company.

- b) The outstanding balance of trade payables includes the following payables to promoters/group companies/ subsidiaries and other related parties *:

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Dues to others					
Group companies	8.35	-	-	-	-
Subsidiaries	5.48	-	-	14.92	-

* For party wise details of the balances, refer note (b) to Annexure XXX.

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Current maturities of long-term borrowings from banks	30.00	99.89	110.15	101.58	94.30
Current maturities of vehicle loans	1.28	2.21	2.86	2.24	2.28
Current maturities of deferred sales tax payment liabilities	7.58	6.06	5.48	4.77	3.86
Interest due but not paid	1.25	-	-	-	-
Current maturities of fixed deposits					
- From directors	-	-	10.21	-	8.85
- From relatives of directors/ Entities in which the directors are interested	-	-	0.41	0.30	9.85
- From other shareholders	-	-	1.44	-	-
- From others	-	-	0.13	0.35	0.84
Unpaid dividends (Also, refer note below)	0.51	0.45	0.79	0.48	0.35
Interim dividend payable	9.64	-	-	-	-
Provident fund	1.27	0.98	0.94	0.89	0.76
Employees' state insurance scheme contribution	0.01	0.01	0.01	-	-
Other statutory dues	3.35	2.99	5.15	5.26	1.61
Payable in respect of fixed assets held for sale	35.60	-	-	-	-
Advances and deposits from customers	9.62	2.54	2.11	5.98	9.33
Interest on fixed deposits	-	-	-	0.55	-
Other payables	34.00	31.82	25.02	32.95	31.58
	134.11	146.95	164.70	155.35	163.61

Note:

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Amount due and paid during the year to "Investor Education and Protection Fund"	0.03	0.04	0.03	0.01	0.01

Annexure XII: Unconsolidated Statement of Provisions, as restated

Rs. in million

Particulars	As at March 31,									
	2016		2015		2014		2013		2012	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
Provisions for employee benefits (Refer note below)										
- Leave encashment	-	2.44	-	1.52	-	1.60	-	0.98	-	1.66
- Gratuity	1.75	2.70	-	-	-	0.24	-	2.43	-	1.28
- Bonus	-	7.49	-	4.68	-	4.68	-	4.24	-	3.45
Provision for taxation (net of advance taxes)	-	8.61	-	0.80	-	10.40	-	25.42	-	31.76
Proposed dividend to equity shareholders	-	-	-	10.88	-	10.88	-	32.65	-	20.73
Dividend tax	-	3.97	-	1.18	-	1.44	-	5.14	-	3.36
	1.75	25.21	-	19.06	-	29.24	-	70.86	-	62.24

Note:

Employee benefits

The Company has taken a group gratuity and leave encashment policy for its employees with the Life Insurance Corporation of India (LIC). Under gratuity policy, the eligible employees are entitled to receive gratuity payments upon their resignation or death, whichever is earlier (subject to completion of 4.5 years of employment) in lump sum after deduction of necessary taxes.

The following table set out the status of the gratuity and leave encashment plan as required under Accounting Standard (AS) - 15 - Employee benefits and the reconciliation of opening and closing balances of the present value of the defined benefit obligation.

Particulars	As at March 31,									
	2016		2015		2014		2013		2012	
	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment
Reconciliation of defined benefit obligation										
Projected benefit obligation at the beginning of the year	22.71	7.83	22.56	6.95	19.17	5.39	15.20	4.46	11.82	3.89
Additional charge (Also, refer note 6(b)(x) to Annexure IV)	-	-	-	-	1.26	-	1.11	-	0.96	-
Service cost	2.15	2.27	1.68	1.99	1.46	1.82	1.29	0.87	1.12	0.51
Interest cost	1.73	0.55	1.66	0.63	1.32	0.45	1.12	0.37	0.92	0.33
Actuarial loss/(gain)	7.31	(0.06)	(2.05)	(1.25)	(0.51)	(0.44)	0.78	(0.11)	1.06	(0.09)
Benefits paid	(3.74)	(0.48)	(1.14)	(0.49)	(0.14)	(0.27)	(0.33)	(0.20)	(0.68)	(0.18)
Projected benefit obligation at the end of the year	30.16	10.11	22.71	7.83	22.56	6.95	19.17	5.39	15.20	4.46
Reconciliation of fair value of plan assets										
Plan assets at the beginning of the year	22.71	8.60	22.32	7.72	16.74	6.23	13.92	4.53	12.21	3.99
Expenses deducted from the fund	(0.15)	(0.06)	(0.14)	(0.00)	-	-	-	-	-	-
Expected return on plan assets	2.07	0.72	1.96	0.68	1.63	(0.58)	1.35	0.47	1.11	0.37
Actuarial gain/(loss)	(0.04)	0.02	0.16	0.03	0.13	1.19	0.08	0.04	0.07	0.01
Employer contributions	1.83	0.25	2.59	0.17	3.96	0.88	1.71	1.19	1.22	0.16
Benefits paid	(0.71)	-	(4.18)	-	(0.14)	-	(0.32)	-	(0.69)	-
Plan assets at the end of the year	25.71	9.53	22.71	8.60	22.32	7.72	16.74	6.23	13.92	4.53
Reconciliation of present value of obligation and the fair value of plan assets										
Present value of projected benefit obligation at the end of the year	30.16	10.11	22.71	7.83	22.56	6.95	19.17	5.39	15.20	4.46
Plan assets at the end of the year	25.71	9.53	22.71	8.60	22.32	7.72	16.74	6.23	13.92	4.53
Liability / (asset) recognised in the balance sheet	4.45	0.58	-	(0.77)	0.24	(0.77)	2.43	(0.84)	1.28	(0.07)
Classification of liability recognised										
Non-current	1.75	-	-	-	-	-	-	-	-	-
Current	2.70	0.58	-	-	0.24	-	2.43	-	1.28	-
	4.45	0.58	-	-	0.24	-	2.43	-	1.28	-
Net cost recognised in Statement of profit and loss *										
Current service cost	2.15	2.27	1.68	1.99	1.46	1.82	1.29	0.87	1.12	0.51
Interest on obligation	1.73	0.55	1.66	0.63	1.32	0.45	1.12	0.37	0.92	0.33
Expected (returns)/ loss on plan assets	(2.05)	(0.72)	(1.96)	(0.68)	(1.63)	0.58	(1.35)	(0.47)	(1.11)	(0.37)
Net actuarial loss/(gain)	7.35	(0.08)	(2.21)	(1.28)	(0.64)	(1.62)	0.70	(0.15)	0.99	(0.10)
Expenses deducted from the fund	0.15	0.06	0.14	0.00	-	-	-	-	-	-
Additional charge	-	-	-	-	1.26	-	1.11	-	0.96	-
	9.33	2.09	(0.69)	0.66	1.77	1.23	2.87	0.62	2.88	0.37
* These expenses have been recognized under Annexure XXIV										
Table of experience adjustments										
Defined benefit obligation	30.16	10.11	22.71	7.83	22.56	6.95	19.17	5.39	15.20	4.46
Plan assets	25.71	9.53	22.71	8.60	22.32	7.72	16.74	6.23	13.92	4.53
Surplus/ (deficit)	(4.45)	(0.58)	-	0.77	(0.24)	0.77	(2.43)	0.84	(1.28)	0.07
Experience adjustment on plan liabilities	7.17	(0.11)	(5.20)	(2.03)	1.03	0.15	0.33	(0.27)	1.06	(0.09)
Actuarial loss/(gain) due to change in assumption	0.14	0.04	3.15	0.78	(1.54)	(0.58)	0.45	0.16	0.00	0.00
Experience adjustment on plan assets	0.04	(0.02)	(0.16)	(0.03)	(0.13)	(1.19)	(0.08)	(0.04)	(0.07)	(0.01)
Net actuarial loss/(gain) for the year	7.35	(0.08)	(2.21)	(1.28)	(0.64)	(1.62)	0.70	(0.15)	0.99	(0.10)

Particulars	As at March 31,									
	2016		2015		2014		2013		2012	
	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment	Gratuity	Leave encashment
Composition of the plan assets										
Policy of insurance	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Assumptions used *										
Discount rate	7.70%	7.70%	7.75%	7.75%	9.10%	9.10%	8.20%	8.20%	8.50%	8.50%
Rate of return on plan assets	7.70%	7.70%	8.75%	8.75%	8.75%	8.75%	9.25%	9.25%	9.00%	9.00%
Salary Escalation	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%

* The Company assesses these assumptions with the projected long-term plans of growth and prevalent industry standards

Leave encashment short- term obligation

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Undiscounted value (provision) of obligation at the year end	1.86	1.52	1.60	0.98	1.66
	1.86	1.52	1.60	0.98	1.66

Annexure XIII: Unconsolidated Statement of Non-current investments, as restated

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Investments in equity instruments (Valued at cost unless stated otherwise)					
In subsidiaries					
Advanced Bio-Agro Tech Limited	0.60	0.60	0.60	0.60	0.60
Advanced EnzyTech Solutions Limited	1.57	1.57	1.57	1.57	0.60
Advanced Enzymes Fareast Limited	-	-	-	9.47	1.30
Atharva Clean Energy Private Limited (erstwhile Advanced Bio-Proteins Limited)	-	-	-	0.50	0.50
Advanced Enzymes USA, Inc.	528.00	270.43	270.43	270.43	133.58
Advanced Enzyme Europe B.V.	-	-	6.98	5.21	-
	530.17	272.60	279.58	287.78	136.58
Less: Provision for diminution	-	-	-	(8.77)	-
	530.17	272.60	279.58	279.01	136.58
In others					
Advanced Vital Enzymes Private Limited	0.57	0.57	0.57	0.57	0.57
Bombay Mercantile Co-op. Bank Limited	0.05	0.05	0.05	0.05	0.05
	0.62	0.62	0.62	0.62	0.62
	530.79	273.22	280.20	279.63	137.20
Aggregate amount of					
- unquoted investments	530.79	273.22	280.20	279.63	137.20
- trade investments	530.74	273.17	280.15	279.58	137.15
- other investments	0.05	0.05	0.05	0.05	0.05

Advanced Enzyme Technologies Limited
Details of number of shares held by the Company

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
In subsidiaries					
Advanced Bio-Agro Tech Limited - Equity shares of Rs. 10 each fully paid up	60,000	60,000	60,000	60,000	60,000
Advanced EnzyTech Solutions Limited - Equity shares of Rs. 10 each fully paid up	70,000	70,000	70,000	70,000	60,000
Advanced Enzymes Fareast Limited - Equity shares of HKD 1 each fully paid up	-	-	-	14,02,000	2,00,000
Atharva Clean Energy Private Limited (erstwhile Advanced Bio-Proteins Limited) - Equity shares of Rs. 10 each fully paid up	-	-	-	50,000	50,000
Advanced Enzymes, USA - Equity shares of USD 1,000 each fully paid up	5,839	5,600	5,600	5,600	3,000
Advanced Enzyme Europe B.V. - Equity shares of Euro 10 each fully paid up	-	-	7,500	7,500	-
In others					
Advanced Vital Enzymes Private Limited - Equity shares of Rs.10 each fully paid up	19,100	19,100	19,100	19,100	19,100
Bombay Mercantile Co-op. Bank Limited. - Equity shares of Rs. 30 each fully paid up	1,666	1,666	1,666	1,666	1,666

Annexure XIV: Unconsolidated Statement of Loans and advances, as restated
Rs. in million

Particulars	As at March 31,									
	2016		2015		2014		2013		2012	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
Capital advances										
- Unsecured, considered good	0.12	-	-	-	3.35	-	1.73	-	6.75	-
- Doubtful	1.30	-	1.30	-	1.30	-	1.30	-	1.30	-
Allowances for bad and doubtful advances	(1.30)	-	(1.30)	-	(1.30)	-	(1.30)	-	(1.30)	-
	0.12	-	-	-	3.35	-	1.73	-	6.75	-
Security deposits										
- Unsecured, considered good	13.23	-	13.26	-	12.58	-	12.92	1.47	11.77	1.60
	13.23	-	13.26	-	12.58	-	12.92	1.47	11.77	1.60
Loans and advances to related parties										
- Unsecured, considered good (Also, refer Annexure XIX)	-	-	7.97	-	15.20	2.15	21.75	1.39	57.39	32.44
	-	-	7.97	-	15.20	2.15	21.75	1.39	57.39	32.44
Other loans and advances (Unsecured, considered good)										
Loan to employees	-	0.10	-	0.03	-	0.30	-	0.29	-	0.63
Advances recoverable in cash or in kind or for value to be received	2.98	20.01	3.77	22.78	20.52	32.50	23.45	47.25	19.71	22.27
Advance income tax (net of provisions)	32.19	-	23.66	-	18.65	2.25	2.59	3.58	3.55	2.25
MAT credit entitlement	129.70	-	111.17	-	92.06	-	73.70	-	23.37	-
Balance with excise authorities	-	8.24	-	5.77	-	4.28	-	6.64	-	4.42
	164.87	28.35	138.60	28.58	131.23	39.33	99.74	57.76	46.63	29.57
	178.22	28.35	159.83	28.58	162.36	41.48	136.14	60.62	122.54	63.61

Advanced Enzyme Technologies Limited

The above outstanding balances includes the following receivables from promoters/group companies/ subsidiaries and other related parties *:

Rs. in million

Particulars	As at March 31,									
	2016		2015		2014		2013		2012	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
Loans and advances to related parties including current maturities										
Group companies	-	-	15.20	-	21.75	-	27.68	1.24	69.09	-
Subsidiaries	-	-	-	-	-	2.15	-	0.15	0.09	32.44
	-	-	15.20	-	21.75	2.15	27.68	1.39	69.18	32.44
Interest receivable (grouped under Advances recoverable in cash or in kind or for value to be received)										
Subsidiaries	-	-	-	2.53	-	6.94	-	6.28	-	-
	-	-	-	2.53	-	6.94	-	6.28	-	-

* For party wise details of the balances, refer note (b) to Annexure XXX.

Annexure XV: Unconsolidated Statement of Other non-current assets, as restated

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Non-current bank balances (refer Annexure XVIII)	1.27	0.37	1.08	1.00	0.89
	1.27	0.37	1.08	1.00	0.89

Annexure XVI: Unconsolidated Statement of Inventories, as restated

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Valued at lower of cost and net realisable value					
Raw materials (Also, refer note below)	132.01	119.94	105.23	173.59	100.87
Work-in-progress	251.50	200.07	181.51	144.33	53.27
Finished goods (Also, refer note below)	46.82	41.08	48.36	20.58	27.32
Stores and spares	43.69	32.69	31.77	17.80	16.76
	474.02	393.78	366.87	356.30	198.22
Note:					
Details of goods-in-transit included in:					
Raw materials	16.62	2.91	9.96	29.39	4.12
Finished goods	20.44	7.05	-	-	-

Annexure XVII: Unconsolidated Statement of Trade receivables, as restated

Rs. in million

Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Debts outstanding for a period exceeding six months from the date they are due for payment					
Unsecured, considered good	11.14	6.43	1.76	1.98	18.43
Doubtful	2.90	2.90	2.90	1.73	2.43
	14.04	9.33	4.66	3.71	20.86
Less Allowances for bad and doubtful debts	2.90	2.90	2.90	1.73	2.43
	11.14	6.43	1.76	1.98	18.43
Other debts					
Secured, considered good	0.18	0.18	0.15	0.13	0.18
Unsecured, considered good	216.50	237.57	282.49	333.20	264.16
	216.68	237.75	282.64	333.33	264.34
	227.82	244.18	284.40	335.31	282.77

Advanced Enzyme Technologies Limited

The above outstanding balances includes the following receivables from promoters/group companies/ subsidiaries and other related parties *:

Particulars	Rs. in million				
	As at March 31,				
	2016	2015	2014	2013	2012
Trade receivables					
Group companies	6.75	5.36	8.51	10.61	14.75
Subsidiaries	55.01	87.05	138.12	139.43	112.12

* For party wise details of the balances, refer note (b) to Annexure XXX.

Annexure XVIII: Unconsolidated Statement of Cash and bank balances, as restated

Particulars	Rs. in million				
	As at March 31,				
	2016	2015	2014	2013	2012
Cash and cash equivalents					
Cash on hand	0.53	0.46	0.57	0.43	0.78
Balances with banks					
-in current accounts	2.17	5.18	5.36	7.92	29.00
-in fixed deposits with maturity upto three months *	2.48	2.62	8.20	7.62	2.86
	5.18	8.26	14.13	15.97	32.64
Other bank balances					
Unpaid dividend account	10.15	0.45	0.79	0.48	0.35
Fixed deposits with maturity of more than three months but less than twelve months	0.03	0.83	3.49	2.75	0.43
Fixed deposits with maturity of more than twelve months	1.27	0.37	1.08	1.00	0.89
	11.45	1.65	5.36	4.23	1.67
Less : Amounts disclosed as other non-current assets (Refer Annexure XV)	1.27	0.37	1.08	1.00	0.89
	15.36	9.54	18.41	19.20	33.42

Annexure XIX: Unconsolidated Statement of Other current assets, as restated

Particulars	Rs. in million				
	As at March 31,				
	2016	2015	2014	2013	2012
Current maturities of loan to related parties	-	7.23	6.55	5.93	11.79
Fixed assets held for sale	48.17	-	-	-	-
Share issue expenses (refer note below)	18.28	-	-	-	-
	66.45	7.23	6.55	5.93	11.79

Note:

The share issue expenses are being incurred by the Company in relation to its proposed Initial Public Offer (“the Offer”) of equity shares. The Company and the Selling Shareholders will share these expenses with certain exclusion of expenses as agreed amongst them, on a pro-rata basis in proportion of the Equity shares contributed by each of them in the Offer.

The share of the Company of such expenses shall be adjusted against the Securities premium reserve as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the Securities premium reserve post the issue of equity shares. Share issue expenses in excess of the balance in the Securities premium reserve would be expensed in the Statement of profit and loss. The share of the Selling Shareholders of such expenses will be reimbursed to the Company.

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Sale of goods					
Export	471.71	456.48	585.85	592.89	521.96
Domestic	1,013.61	876.86	844.94	908.42	665.22
Revenue from operations (Gross)	1,485.32	1,333.34	1,430.79	1,501.31	1,187.18
Less : Excise duty	93.91	74.55	73.15	84.94	57.67
Revenue from operations (Net)	1,391.41	1,258.79	1,357.64	1,416.37	1,129.51

Details of goods sold

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Manufactured goods					
- Enzymes	1,086.56	1,010.20	1,152.55	1,196.48	1,026.15
- Animal feed supplement	263.80	220.24	173.32	150.45	96.33
- Micro organisms	31.53	13.09	15.97	9.88	5.01
- Others	9.52	15.26	15.80	59.56	2.02
	1,391.41	1,258.79	1,357.64	1,416.37	1,129.51

Annexure XXI: Unconsolidated Statement of Other income, as restated

Rs. in million

Particulars	For the year ended March 31,					Nature (recurring/ non- recurring)	Related/ not related to business activity
	2016	2015	2014	2013	2012		
Interest income on:							
- fixed deposit	0.87	1.29	1.85	0.94	0.58	Recurring	Not related
- loan to related parties	1.05	1.93	2.55	7.06	13.50	Recurring	Not related
Net gain on sale/write-off of investments (net of provisions)	-	-	0.43	-	-	Non- recurring	Not related
Profit on sale of fixed assets (net)	-	1.54	-	-	-	Non- recurring	Not related
Export incentives	2.17	1.87	2.71	4.81	6.24	Recurring	Related
Excess provision no longer required written back	0.06	-	-	0.21	0.19	Recurring	Related
Net gain on foreign currency transactions and translations	-	-	-	-	0.27	Recurring	Related
Dividend income	2.40	5.10	2.40	2.40	-	Recurring	Not related
Other non-operating income							
- service income (net of expenses directly attributable to such income of Rs. 0.50 million)	1.08	-	-	-	-	Non- recurring	Not related
- miscellaneous income	0.40	1.93	0.73	6.78	11.70	Recurring	Not related
	8.03	13.66	10.67	22.20	32.48		
Profit before tax	260.33	227.74	117.41	308.54	247.26		
% of other income to profit before tax	3.08%	6.00%	9.09%	7.19%	13.14%		

Note:

The classification of 'Other income' as recurring or non-recurring and related or non-related to business activity is based on the current operations and business activities of the Company, as determined by the management.

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Raw material consumed (Also, refer note 12 to Annexure IV)					
Opening stock	119.94	105.23	173.59	100.87	102.51
Add : Purchases during the year	482.55	395.74	366.17	585.40	393.83
Less : Closing stock	132.01	119.94	105.23	173.59	100.87
	470.48	381.03	434.53	512.68	395.47

Details of consumption

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Agricultural produce	15.84	21.43	20.82	30.11	33.51
Dairy products	40.84	36.13	42.06	72.54	42.41
Crude enzymes	51.26	49.40	64.95	66.61	82.84
Others	362.54	274.07	306.70	343.42	236.71
	470.48	381.03	434.53	512.68	395.47

Annexure XXIII: Unconsolidated Statement of Changes in inventories of finished goods and work-in-progress, as restated

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Closing stock					
- Finished goods	46.82	41.08	48.36	20.58	27.32
- Work-in-progress	251.50	200.07	181.51	144.33	53.27
	298.32	241.15	229.87	164.91	80.59
Opening stock					
- Finished goods	41.08	48.36	20.58	27.32	10.62
- Work-in-progress	200.07	181.51	144.33	53.27	31.47
	241.15	229.87	164.91	80.59	42.09
Differential excise duty on stocks	0.19	(0.22)	(1.00)	(1.09)	(0.06)
	(56.98)	(11.50)	(65.96)	(85.41)	(38.56)

Annexure XXIV: Unconsolidated Statement of Employee benefit expense, as restated

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Salaries, wages and bonus	211.45	167.99	160.24	133.01	108.75
Contribution to gratuity, provident fund and other funds	20.46	9.33	10.67	10.25	9.99
Staff welfare expenses	11.52	9.59	9.93	10.54	8.65
	243.43	186.91	180.84	153.80	127.39

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Interest expenses	36.66	38.15	43.74	33.93	32.16
Bank charges	5.42	2.77	4.05	3.79	3.04
Net loss on foreign currency transactions and translations	1.63	5.64	35.05	0.06	1.78
	43.71	46.56	82.84	37.78	36.98

Annexure XXVI: Unconsolidated Statement of Depreciation and amortisation expense, as restated

Rs. in million

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Depreciation of tangible assets	73.69	79.77	91.13	70.07	50.78
Amortisation of intangible assets	0.16	0.07	0.04	0.64	1.30
	73.85	79.84	91.17	70.71	52.08

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Manufacturing expenses					
Consumption of stores and spare parts (Also, refer note 12 to Annexure IV)	42.40	31.31	29.97	49.54	35.26
Consumption of packing materials	26.39	26.15	24.24	20.30	15.65
Power and fuel	94.62	95.04	142.96	152.09	125.15
Carriage inward and freight	16.53	14.20	15.56	19.66	12.64
Water charges	2.66	2.18	2.47	1.82	1.49
Excise duty	11.15	9.97	5.47	9.74	4.79
Laboratory expenses	7.36	6.48	6.31	6.23	2.93
Repairs and maintenance					
- Buildings	13.81	9.85	3.96	5.25	4.63
- Plant and equipment	8.77	5.39	6.22	7.85	5.85
Other manufacturing expenses	0.04	0.04	0.11	0.08	0.10
	223.73	200.61	237.27	272.56	208.49
Selling and distribution expenses					
Travel, conveyance and car hire	13.89	11.93	14.64	12.84	9.31
Commission	6.72	5.56	12.93	7.93	10.37
Discount on sales	0.03	0.25	0.65	0.55	2.07
Sales promotion and advertisement	1.56	1.70	3.21	3.39	2.14
Freight outward and forwarding	16.51	15.57	20.02	16.55	16.57
Other selling and distribution expenses	15.99	12.70	14.26	10.54	9.87
	54.70	47.71	65.71	51.80	50.33
Administrative and general expenses					
Rent	6.61	6.21	6.35	5.85	5.82
Rates and taxes	1.55	1.53	4.81	0.81	0.55
Repairs and maintenance - Others	5.46	5.06	5.75	4.98	5.26
Insurance	3.02	2.91	4.02	2.94	2.69
Printing and stationary	1.53	1.54	1.48	1.39	1.51
Communication expenses	4.40	4.21	4.81	4.61	4.94
Directors' sitting fees	0.52	0.28	0.28	0.38	0.16
Legal and professional charges	23.11	43.81	41.97	47.13	33.68
Payments to auditors (Also, refer note 13 to Annexure IV)	2.10	1.50	1.40	1.66	1.00
Provision for doubtful debts	-	-	1.20	-	-
Bad debts written off	1.97	1.62	1.60	0.08	-
Advances/assets written off	-	2.04	3.50	1.57	2.16
Donation	1.42	1.52	4.62	4.22	5.84
Loss on sale of assets	0.08	-	0.51	-	0.16
Investments written off	-	14.53	-	-	-
Loss on sale of investments	-	-	0.05	-	-
Share issue expenses written off	-	-	1.32	9.91	-
Net loss on foreign currency transactions and translations	9.63	2.31	4.25	6.12	-
Fixed assets written off	-	3.96	-	-	5.05
Provision for diminution in values of shares and advances made to Advanced Enzyme Fareast Limited	-	-	-	8.77	-
Commuting expenses	5.96	5.03	5.13	4.92	3.82
CSR expenditure	4.46	3.30	-	-	-
Miscellaneous expenses	14.37	12.19	10.88	10.77	9.91
	86.19	113.55	103.93	116.11	82.55
	364.62	361.87	406.91	440.47	341.37

Advanced Enzyme Technologies Limited
Annexure XXVIII: Unconsolidated Statement of Exceptional items, as restated

Some of the consignments of goods of enzymes exported by the Company were reported to have potential contamination. During the second half of the year ended March 31, 2014, the Company's subsidiary in USA had done voluntarily recall of those specific lots and the Company also got goods returned back from some of its overseas customers including its subsidiary in USA. Accordingly, the Company had to charge a one time inventory write off, settle claims of some of the customers and incur certain expenses related to recall.

Following expenses represents consequential cost on account of product recall:

Particulars	Rs. in million				
	For the year ended March 31,				
	2016	2015	2014	2013	2012
Sales return	-	-	98.16	-	-
Write offs	-	-	13.76	-	-
Other related expenses	-	-	8.65	-	-
	-	-	120.57	-	-

Annexure XXIX: Unconsolidated Statement of Accounting and other ratios, as restated

Rs. in million except per share data

Sr. no.	Particulars	As at and for the year ended March 31,				
		2016	2015	2014	2013	2012
A	Net worth, as restated	1,748.44	1,561.69	1,379.12	1,292.32	815.59
B	Profit after tax, as restated	212.50	196.62	99.12	214.55	217.78
	Weighted average number of equity shares outstanding during the year (in million)					
C	For Basic earnings per share	21.77	21.77	21.77	21.31	20.73
D	For Diluted earnings per share	21.77	21.77	21.77	21.31	20.73
	Earnings per share					
E	Basic earnings per share (Rs.) (B/C)	9.76	9.03	4.55	10.07	10.51
F	Diluted earnings per share (Rs.) (B/D)	9.76	9.03	4.55	10.07	10.51
G	Return on Net Worth (%) (B/A*100)	12.15%	12.59%	7.19%	16.60%	26.70%
H	Number of shares outstanding at the end of the year	21.77	21.77	21.77	21.77	20.73
I	Net asset value per equity share of Rs.10 each (Rs.) (A/H)	80.31	71.74	63.35	59.36	39.34
J	Face value per equity share (Rs.)	10.00	10.00	10.00	10.00	10.00

Notes :-

1) The ratio has been computed as below :

a) Basic and Diluted earnings per share (Rs.)	$\frac{\text{Profit after tax, as restated attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$
b) Net asset value per equity share (Rs.)	$\frac{\text{Net worth, as restated as at year end}}{\text{Total number of equity shares outstanding as at year end}}$
c) Return on Net Worth (%) =	$\frac{\text{Profit after tax, as restated}}{\text{Net worth, as restated as at year end}}$

- 2) The figures disclosed above are based on the Unconsolidated Financial Information, as restated of the Company.
- 3) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.
- 4) Net worth for the ratios represents sum of share capital and reserves and surplus (capital reserve, securities premium, general reserve and surplus in the statement of profit and loss).
- 5) The above statement should be read with the Statement of Notes to the Unconsolidated Financial Information, as restated of the Company in Annexure IV.

Annexure XXX: Unconsolidated Statement of Related party disclosures, as restated

(a) Names of related parties

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
(I) Subsidiaries including step down subsidiaries	Advanced Bio-Agro Tech Limited Advanced EnzyTech Solutions Limited Advanced Enzymes USA, Inc. Cal India Foods International (subsidiary of Advanced Enzymes USA, Inc.) Advanced Supplementary Technologies Corporation (subsidiary of Advanced Enzymes USA, Inc.) Enzyme Innovation, Inc. (subsidiary of Cal India Foods International) Dynamic Enzymes, Inc. (subsidiary of Advanced Enzymes USA, Inc.) Enzyfuel Innovation, Inc. (subsidiary of Advanced Enzymes USA, Inc. w.e.f. 30 December 2015)	Advanced Bio-Agro Tech Limited Advanced EnzyTech Solutions Limited Advanced Enzyme Europe B.V. (up to 26 December 2014) Advanced Enzymes USA, Inc. Cal India Foods International (subsidiary of Advanced Enzymes USA, Inc.) Advanced Supplementary Technologies Corporation (subsidiary of Advanced Enzymes USA, Inc.) Enzyme Innovation, Inc. (subsidiary of Cal India Foods International w.e.f. 3 April 2014) Dynamic Enzymes, Inc. (subsidiary of Advanced Enzymes USA, Inc. w.e.f. 25 February 2015)	Advanced Bio-Agro Tech Limited Advanced EnzyTech Solutions Limited Advanced Bio Proteins Limited (up to 20 November 2013) Advanced Enzyme Fareast Limited (up to 3 January 2014) Advanced Enzyme Europe B.V. Advanced Enzymes USA, Inc. Cal India Foods International (subsidiary of Advanced Enzymes USA, Inc.) Advanced Supplementary Technologies Corporation (subsidiary of Advanced Enzymes USA, Inc.)	Advanced Bio-Agro Tech Limited Advanced EnzyTech Solutions Limited Advanced Bio Proteins Limited Advanced Enzyme Fareast Limited Advanced Enzyme Europe B.V. (w.e.f. 5 June 2012) Advanced Enzymes USA, Inc. Cal India Foods International (subsidiary of Advanced Enzymes USA, Inc. w.e.f. 1 November 2012)	Advanced Bio-Agro Tech Limited Advanced EnzyTech Solutions Limited Advanced Bio Proteins Limited Advanced Enzyme Fareast Limited Advanced Enzymes USA, Inc. Cal India Foods International (subsidiary of Advanced Enzymes USA, Inc. w.e.f. 4 April 2011)

Annexure XXX: Unconsolidated Statement of Related party disclosures, as restated

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
(II) Key Management Personnel (KMP)	Mr. Vasant L. Rath Mr. Chandrakant L. Rath Mrs. Savita C. Rath Mr. Mukund M. Kabra Mr. Piyush C. Rath Mr. Beni P. Rauka Mr. Dipak Roda Mr. Prabal Bordiya (w.e.f 13 January, 2016)	Mr. Vasant L. Rath Mr. Chandrakant L. Rath Mrs. Savita C. Rath Mr. Mukund M. Kabra Mr. Piyush C. Rath Mr. Beni P. Rauka Mr. Dipak Roda	Mr. Vasant L. Rath Mr. Chandrakant L. Rath Mrs. Savita C. Rath Mr. Mukund M. Kabra Mr. Piyush C. Rath Mr. Beni P. Rauka Mr. Dipak Roda	Mr. Vasant L. Rath Mr. Chandrakant L. Rath Mrs. Savita C. Rath Mr. Mukund M. Kabra Mr. Piyush C. Rath	Mr. Vasant L. Rath Mr. Chandrakant L. Rath Mrs. Savita C. Rath Mr. Mukund M. Kabra

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012
(III) Relatives of KMP	Mr. Kishore L. Rath Mrs. Mangala M. Kabra Mrs. Dipika Roda	Mrs. Prabha V. Rath Mr. Kishore L. Rath Mrs. Mangala M. Kabra Mrs. Dipika Roda	Mrs. Radhika Pujara Mrs. Prabha V. Rath Mr. Kishore L. Rath Mrs. Mangala M. Kabra Mrs. Divya P. Rath Mrs. Dipika Roda	Mrs. Radhika Pujara Mrs. Prabha V. Rath Mr. Kishore L. Rath Mrs. Mangala M. Kabra Mrs. Divya P. Rath	Mr. Piyush C. Rath Mrs. Radhika Pujara Mrs. Prabha V. Rath Mr. Kishore L. Rath Mrs. Mangala M. Kabra Mrs. Divya P. Rath
(IV) Other related parties (entities in which either of the KMP's have significant influence)	Atharva Capital Ventures Private Limited Chandrakant Rath Finance and Investment Company Private Limited C.L. Rath HUF (Hindu Undivided Family) Advanced Vital Enzymes Private Limited Rathi Properties LLC Mukund M Kabra HUF Vasant and Prabha Rath Generation Trust Shri Lakshminarayanan Rath Bahuuddeshiya Seva Sanstha Om Manufacturing Jalna Private Limited (w.e.f. 1 April 2015) Silvertch Trading Company Private Limited (w.e.f. 1 April 2015) Pranoo Financial Services Private Limited Atharva Clean Energy Private Limited	Atharva Capital Ventures Private Limited Chandrakant Rath Finance and Investment Company Private Limited C.L. Rath HUF (Hindu Undivided Family) Advanced Vital Enzymes Private Limited Rathi Properties LLC Mukund M Kabra HUF Vasant and Prabha Rath Generation Trust Shri Lakshminarayanan Rath Bahuuddeshiya Seva Sanstha Pranoo Financial Services Private Limited Atharva Clean Energy Private Limited (erstwhile known as Advanced Bio-Proteins Limited)	Atharva Capital Ventures Private Limited Chandrakant Rath Finance and Investment Company Private Limited C.L. Rath HUF (Hindu Undivided Family) Advanced Vital Enzymes Private Limited (erstwhile known as Advanced Vital Enzymes Limited) Rathi Properties LLC Mukund M Kabra HUF Vasant and Prabha Rath Generation Trust Shri Lakshminarayanan Rath Bahuuddeshiya Seva Sanstha Pranoo Financial Services Private Limited Advanced Bio-Proteins Limited (w.e.f. 21 November 2013)	Atharva Capital Ventures Private Limited Chandrakant Rath Finance and Investment Company Private Limited Advanced Vital Enzymes Limited Advanced Supplementary Technologies Corporation (upto 31 October 2012) C.L. Rath HUF (Hindu Undivided Family) Rathi Properties LLC	Atharva Capital Ventures Private Limited Chandrakant Rath Finance and Investment Company Private Limited Cal India Foods International (upto 3 April 2011) Advanced Supplementary Technologies Corporation Rathi Properties LLC Advanced Vital Enzymes Limited

(b) Transactions and outstanding balances with related parties

Rs. in million

Particulars	As at and for the year ended March 31,				
	2016	2015	2014	2013	2012
(I) Subsidiaries including step down subsidiaries					
Transactions					
Purchase of goods					
Advanced EnzyTech Solutions Limited	-	-	-	-	0.43
Advanced Enzyme Fareast Limited	-	-	-	11.09	-
Cal India Foods International	9.28	22.39	4.15	42.24	5.96
	9.28	22.39	4.15	53.33	6.39
Sale of goods					
Advanced EnzyTech Solutions Limited	79.01	80.25	88.50	86.84	65.01
Advanced Enzyme Fareast Limited	-	-	-	-	10.96
Advanced Bio-Agro Tech Limited	255.36	213.76	178.25	147.43	91.22
Advanced Vital Enzymes Private Limited	-	-	-	-	-
Cal India Foods International	268.25	306.72	297.21	282.46	239.32
	602.62	600.73	563.96	516.73	406.51
Commission paid					
Advanced EnzyTech Solutions Limited	-	-	-	-	0.20
Advanced Enzymes Europe B.V.	-	-	2.61	-	-
	-	-	2.61	-	0.20
Interest received					
Advanced Enzymes USA, Inc.	-	-	-	2.17	5.91
	-	-	-	2.17	5.91
Advances / Loan paid (net)					
Advanced EnzyTech Solutions Limited	-	-	(0.08)	0.05	(3.91)
Advanced Enzyme Fareast Limited	-	-	-	(1.61)	0.80
Advanced Bio-Agro Tech Limited	-	-	-	(0.13)	0.13
Advanced Enzymes USA, Inc.	(1.15)	-	-	(30.69)	30.69
Atharva Clean Energy Private Limited	-	-	0.24	0.00	(0.25)
Advanced Enzymes Europe B.V.	-	-	1.77	-	-
	(1.15)	-	1.93	(32.38)	27.46
Investments					
Advanced EnzyTech Solutions Limited	-	-	-	0.97	-
Advanced Enzyme Fareast Limited	-	-	(1.13)	8.17	-
Atharva Clean Energy Private Limited	-	-	(0.45)	-	-
Advanced Enzymes USA, Inc.	257.56	-	-	136.85	88.46
Advanced Enzymes Europe B.V.	-	7.54	1.77	5.21	-
	257.56	7.54	0.19	151.20	88.46
Dividend income					
Advanced Bio-Agro Tech Limited	2.40	5.10	2.40	2.40	-
	2.40	5.10	2.40	2.40	-
Advance written off					
Advanced Enzymes Europe B.V.	-	2.04	-	-	-
	-	2.04	-	-	-
Investments written off					
Advanced Enzymes Europe B.V.	-	14.53	-	-	-
Advanced Enzyme Fareast Limited	-	-	8.34	-	-
	-	14.53	8.34	-	-

Particulars	As at and for the year ended March 31,				
	2016	2015	2014	2013	2012
<u>Outstanding balances</u>					
Investments					
Advanced EnzyTech Solutions Limited	1.57	1.57	1.57	1.57	0.60
Advanced Enzyme Fareast Limited	-	-	-	0.70	1.30
Advanced Bio-Agro Tech Limited	0.60	0.60	0.60	0.60	0.60
Atharva Clean Energy Private Limited	-	-	-	0.50	0.50
Advanced Enzymes USA, Inc.	528.00	270.43	270.43	270.43	133.58
Advanced Enzymes Europe B.V.	-	-	6.98	5.21	-
	530.17	272.60	279.58	279.01	136.58
Trade receivables					
Advanced EnzyTech Solutions Limited	22.26	28.19	36.78	34.81	24.60
Advanced Enzyme Fareast Limited	-	-	-	-	19.91
Advanced Bio-Agro Tech Limited	14.57	14.72	12.55	17.47	9.99
Cal India Foods International	18.18	44.14	88.79	87.15	57.62
	55.01	87.05	138.12	139.43	112.12
Trade payables					
Cal India Foods International	5.48	-	-	14.92	-
	5.48	-	-	14.92	-
Advances paid					
Advanced EnzyTech Solutions Limited	-	-	-	0.07	0.03
Advanced Enzyme Fareast Limited	-	-	-	-	1.61
Advanced Bio-Agro Tech Limited	-	-	-	-	0.14
Advanced Enzymes Europe B.V.	-	-	2.15	0.08	0.06
Advanced Enzymes USA, Inc.	-	-	-	-	30.69
	-	-	2.15	0.15	32.53
Interest receivable					
Advanced Enzymes USA, Inc.	-	2.53	6.94	6.28	-
	-	2.53	6.94	6.28	-
Advances received					
Atharva Clean Energy Private Limited	-	-	-	0.24	0.25
	-	-	-	0.24	0.25
Other payables					
Advanced Enzymes USA, Inc.	-	1.38	1.37	-	-
	-	1.38	1.37	-	-
(II) KMP and relatives of KMP					
<u>Transactions</u>					
Remuneration *					
Mr. Chandrakant. L. Rathi	12.48	8.77	9.48	8.36	5.77
Mrs. Savita. C. Rathi	5.09	3.33	3.50	2.94	2.33
Mr. Mukund Kabra	11.19	8.56	8.36	7.73	6.16
Mr. Kishore L. Rathi	2.02	1.81	1.90	1.67	1.53
Mrs. Mangala M. Kabra	2.33	2.03	2.10	1.77	1.72
Mr. Piyush C. Rathi	6.12	3.75	3.97	3.12	2.42
Mr. Beni P. Rauka	6.00	3.52	3.74	-	-
Mr. Dipak Roda	5.99	3.60	4.12	-	-
Mr. Prabal Bordiya	0.09	-	-	-	-
	51.31	35.37	37.17	25.59	19.93
Commission *					
Mr. Vasant L Rathi	2.07	1.91	-	2.34	2.06
Mr. Chandrakant. L. Rathi	1.05	1.44	-	1.76	1.54
Mr. Mukund Kabra	0.53	0.96	-	1.17	1.03
* included in Employee benefit expense	3.65	4.31	-	5.27	4.63

Particulars	Rs. in million				
	As at and for the year ended March 31,				
	2016	2015	2014	2013	2012
Interest expenses on fixed deposits					
Mr. Vasant L Rathi	-	1.00	1.12	1.13	1.20
Mrs. Prabha V. Rathi	-	0.04	0.05	0.05	0.05
Mrs. Radhika Pujara	-	-	0.15	0.25	0.28
Mrs. Divya P. Rathi	-	-	0.06	0.12	0.12
Mr. Piyush C. Rathi	-	-	0.00	0.01	0.01
	-	1.04	1.38	1.56	1.66
Deposits received/ (repaid) (net)					
Mr. Vasant L Rathi	-	(10.21)	-	-	-
Mrs. Prabha V. Rathi	-	(0.41)	-	-	-
Mrs. Radhika Pujara	-	-	(2.28)	(0.23)	0.15
Mr. Piyush C. Rathi	-	-	(0.05)	-	-
Mrs. Divya P. Rathi	-	-	(1.07)	-	-
	-	(10.62)	(3.40)	(0.23)	0.15
Legal and professional charges					
Mrs. Dipika Roda	0.47	0.47	0.47	-	-
	0.47	0.47	0.47	-	-
Outstanding balances					
Fixed deposits					
Mr. Vasant L Rathi	-	-	10.21	10.21	10.21
Mrs. Prabha V. Rathi	-	-	0.41	0.41	0.41
Mrs. Radhika Pujara	-	-	-	2.27	2.50
Mrs. Divya P. Rathi	-	-	-	1.07	1.07
Mr. Piyush C. Rathi	-	-	-	0.05	0.05
	-	-	10.62	14.01	14.24
Commission payable					
Mr. Vasant L Rathi	1.76	1.91	-	1.98	1.74
Mr. Chandrakant. L. Rathi	0.94	1.44	-	1.58	1.39
Mr. Mukund Kabra	0.48	0.96	-	1.05	0.93
	3.18	4.31	-	4.61	4.06
(III) Other related parties					
Transactions					
Purchase of goods					
Advanced Vital Enzymes Private Limited	0.75	0.53	-	-	-
Om Manufacturing Jalna Private Limited	22.19	-	-	-	-
Silverttech Trading Company Private Limited	14.57	-	-	-	-
	37.51	0.53	-	-	-
Sale of goods					
Advanced Vital Enzymes Private Limited	16.15	10.42	15.61	22.38	18.67
Om Manufacturing Jalna Private Limited	2.97	-	-	-	-
	19.12	10.42	15.61	22.38	18.67
Commission paid					
Advanced Vital Enzymes Private Limited	-	-	0.17	-	-
	-	-	0.17	-	-
Interest received					
Advanced Vital Enzymes Private Limited	1.05	1.93	2.55	4.90	7.59
	1.05	1.93	2.55	4.90	7.59
Interest expenses on fixed deposits					
Chandrakant Rathi Finance and Investment Company Private Limited	-	-	0.20	0.42	0.51
Atharva Capital Ventures Private Limited	-	-	0.08	0.22	0.36
C.L. Rathi HUF (Hindu Undivided Family)	-	-	0.13	0.27	0.27
	-	-	0.41	0.91	1.14

Rs. in million

Particulars	As at and for the year ended March 31,				
	2016	2015	2014	2013	2012
Loan paid (net)					
Advanced Vital Enzymes Private Limited	(15.20)	(6.55)	(7.17)	(40.17)	(10.68)
	(15.20)	(6.55)	(7.17)	(40.17)	(10.68)
Deposits received/ (repaid) (net)					
Chandrakant Rathi Finance and Investment Company Private Limited	-	-	(3.60)	(0.80)	-
Atharva Capital Ventures Private Limited	-	-	(1.50)	(1.48)	-
C.L. Rathi HUF (Hindu Undivided Family)	-	-	(2.45)	-	-
	-	-	(7.55)	(2.28)	-
Legal and professional charges					
Pranoo Financial Services Private Limited	0.47	0.47	0.47	-	-
	0.47	0.47	0.47	-	-
Outstanding balances					
Fixed deposits					
Chandrakant Rathi Finance and Investment Company Private Limited	-	-	-	3.60	4.40
Atharva Capital Ventures Private Limited	-	-	-	1.50	2.98
C.L. Rathi HUF (Hindu Undivided Family)	-	-	-	2.45	2.45
	-	-	-	7.55	9.83
Investments					
Advanced Vital Enzymes Private Limited	0.57	0.57	0.57	0.57	0.57
	0.57	0.57	0.57	0.57	0.57
Trade receivables					
Advanced Vital Enzymes Private Limited	3.08	5.36	8.51	10.61	14.75
Om Manufacturing Jalna Private Limited	3.67	-	-	-	-
	6.75	5.36	8.51	10.61	14.75
Trade payables					
Advanced Vital Enzymes Private Limited	0.75	-	-	-	-
Om Manufacturing Jalna Private Limited	5.33	-	-	-	-
Silvertech Trading Company Private Limited	2.27	-	-	-	-
	8.35	-	-	-	-
Loans and advances (including current maturities)					
Advanced Vital Enzymes Private Limited	-	15.20	21.75	28.92	69.09
	-	15.20	21.75	28.92	69.09

Notes:

- a) The above statement should be read with the Statement of Notes to the Unconsolidated Financial Information, as restated of the Company in Annexure IV.
- b) List of persons/ entities classified as Related parties has been determined by the Management and relied upon by the Auditors.

Annexure XXXI: Unconsolidated Statement of Capitalisation

Rs. in million

Particulars	Pre Issue as at March 31, 2016	Post Issue
Borrowings		
Short- term	294.52	•
Long- term (including current maturities) (A)	194.87	•
Total Borrowings (B)	489.39	
Shareholders' fund		
Share capital	217.66	•
Reserve and surplus	1,530.78	•
Total Shareholders' fund (C)	1,748.44	•
Long- term borrowings/ equity ratio {(A)/(C)}	0.11	•
Total borrowings / equity ratio {(B)/(C)}	0.28	•

Advanced Enzyme Technologies Limited**Notes:**

- 1) Short-term borrowings implies borrowings repayable within 12 months from the date of its availment. Long-term borrowings are debts other than short-term borrowings and includes deferred sales tax payment liabilities.
 - 2) The above has been computed on the basis of the Unconsolidated Summary Statements of Assets and Liabilities, as restated of the Company.
 - 3) The above statement should be read with the Statement of Notes to the Unconsolidated Financial Information, as restated of the Company in Annexure IV.
- The Corresponding figures (post issue) can be calculated only on the conclusion of the book building process and hence have not been furnished.

Annexure XXXII: Unconsolidated Statement of Dividend declared

Particulars	As at and for the year ended March 31,				
	2016	2015	2014	2013	2012
Equity share capital (Rs. in million)	217.66	217.66	217.66	217.66	207.32
Number of equity shares (in million)	21.77	21.77	21.77	21.77	20.73
Face value per share (Rs.)	10.00	10.00	10.00	10.00	10.00
Dividend on equity shares					
Rate of Dividend	10.00%	5.00%	5.00%	15.00%	10.00%
Interim Dividend (Rs. in million)	21.77	-	-	-	-
Tax on interim dividend including surcharge (Rs. in million)	3.97	-	-	-	-
Final Dividend (Rs. in million)	-	10.88	10.88	32.65	20.73
Tax on final dividend including surcharge (Rs. in million)	-	1.18	1.44	5.14	3.36

Notes:

The above statement should be read with the Statement of Notes to the Unconsolidated Financial Information, as restated of the Company in Annexure IV.

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
Net Profit before tax, as per audited financial statements (A)	254.88	223.66	98.77	320.03	248.21
Income tax rate					
Tax rate (%) (B)	34.61	32.45	32.45	32.45	32.45
Tax expense at nominal rate {(C)= (A)*(B)}	88.21	72.57	32.05	103.83	80.53
Adjustments					
Permanent differences					
Weighted deduction on Research and Development expenditure	(116.40)	(99.09)	(148.83)	(115.95)	(86.26)
Investments/Capital advances/Fixed assets written off	-	20.52	(0.43)	8.77	5.05
(Profit)/ Loss on sale of fixed assets	0.08	(1.54)	0.51	-	0.16
(Profit)/ Loss on sale of investments	-	-	0.05	-	-
CSR expenditure	4.46	3.30	-	-	-
Disallowances under section 37(1) of Income Tax Act, 1961	-	0.22	11.23	-	-
Foreign exchange loss on borrowings	2.43	4.82	14.77	(0.18)	-
Dividend income exempt under section 10(34) of Income Tax Act, 1961	(2.40)	(5.10)	(2.40)	(2.40)	-
Donation under section 80(G) of Income Tax Act, 1961	0.71	0.87	4.62	2.31	3.79
Income from other sources taxable under Income Tax Act, 1961	-	-	-	3.10	-
Section 10AA benefit under Income Tax Act, 1961	(38.64)	(33.74)	-	-	(49.69)
D: Total Permanent differences	(149.76)	(109.74)	(120.48)	(104.35)	(126.95)
Timing differences					
Depreciation difference as per books and as per income tax	(10.75)	(11.77)	(10.15)	(174.61)	14.59
Adjustment on account of Section 43B liabilities under Income Tax Act, 1961	7.78	0.88	2.14	0.43	1.71
Unabsorbed depreciation brought forward	-	(29.34)	-	-	-
Provision for doubtful debts	-	1.20	-	0.59	0.60
E: Total Timing differences	(2.97)	(39.03)	(8.01)	(173.59)	16.90
Net adjustments (F) = (D+E)	(152.73)	(148.77)	(128.49)	(277.94)	(110.05)
Tax (savings) thereon (G) = (F)*(B)	(52.86)	(48.27)	(41.70)	(90.19)	(35.71)
Tax expenses after savings (H) = (G+C)	35.35	24.30	(9.65)	13.64	44.82
Adjusted book profit taxable under section 115JB (I)	252.50	218.56	87.59	327.70	248.21
MAT rate (%) (J)	21.34	20.96	20.01	20.01	20.01
Tax under MAT [(K)= (I)*(J)]	53.89	45.81	17.53	65.57	49.66
Tax payable [Higher of (H) or (K)]	53.89	45.81	17.53	65.57	49.66
Provision for tax as per audited financial statements	54.59	46.05	18.36	68.09	51.52

Notes:

- 1) The aforesaid Statement of Tax shelter has been prepared in accordance with the audited financial statements and is not based on the profits as per the Unconsolidated Summary Statement of Profit and Loss, as restated.
- 2) The above statement is in accordance with Accounting Standard - 22 "Accounting for Taxes on Income" as notified under the Companies (Accounts Standards) Rules, 2006 read with Rule 7 of Companies (Accounts) Rules, 2014.
- 3) The permanent/timing differences for the year ended March 31 2015, 2014, 2013 and 2012 have been computed based on the Income-tax returns filed for the respective years.
- 4) Figures for the year ended March 31, 2016 have been prepared from the provisional computation of total income prepared by the Company in line with the final return of income filed for the assessment year 2015-2016 and are subject to any change that may be considered at the time of filing return of income for the assessment year 2016-2017.
- 5) The income tax rate and MAT rate is inclusive of surcharge and cess.
- 6) The above statement should be read with the Statement of Notes to the Unconsolidated Financial Information, as restated of the Company in Annexure IV.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our Consolidated Financial Information, as restated as of and for the years ended 2012, 2013, 2014, 2015, and 2016 all prepared in accordance with the Companies Act and Indian GAAP and restated in accordance with the SEBI Regulations, including the schedules, annexures and notes thereto and the reports thereon, included in the section titled "Financial Information" beginning on page 230 of this Red Herring Prospectus. These financial statements have been prepared in accordance with Indian GAAP and the Companies Act. Indian GAAP differs in certain significant respects from U.S. GAAP, IFRS and Indian Accounting Standard. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS or Indian Accounting Standards. Accordingly, the degree to which the Indian GAAP financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and the SEBI Regulations.

The following discussion and analysis contains forward-looking statements and reflects our management's current view with respect to future events that involve risks and uncertainties therefore, actual results may differ materially from those suggested by the forward-looking statements as a result of certain factors such as those set forth in the chapter titled "Forward-Looking Statements" and section titled "Risk Factors" beginning on pages 18 and 19, respectively of this Red Herring Prospectus.

The industry information herein has not been prepared or independently verified by us or any of our advisors including the BRLMs, and should not be relied on as if it had been so prepared or verified. In particular, we have relied on a report by The Freedonia Group, Inc. called "Industry Study #3104 World Enzymes January 2014" ("Freedonia Report"). Neither we nor any other person connected with the Offer has verified the information sourced from this Freedonia Report. Prospective investors are advised not to unduly rely on the information sourced from this report when making their investment decisions. Our Company, Directors, Promoters and Promoter Group of the Company are not related to The Freedonia Group, Inc, in any way. We accept no responsibility in respect of such information, data and statistics including updating the data and statistics to the date of this Red Herring Prospectus. Such information, data and statistics may be approximations or use rounded numbers.

OVERVIEW

We are the largest Indian enzyme company, engaged in the research and development, manufacturing and marketing of 400+ proprietary products developed from 60 indigenous enzymes.

Having more than two decades of fermentation experience in the production of enzymes, we rank among the top 15 global companies in terms of enzyme sales, and have the second highest market share domestically, next only to the world's largest enzyme company Novozymes. We operate in two primary business verticals namely Healthcare & Nutrition (human and animal) and Bio-Processing (food and non-food). By following critical industry trends, we focus on ensuring that our enzyme products are relevant, helping customers to meet the evolving market demands. We are a fully integrated enzyme manufacturing company driven by extensive focus on research and development ("R&D") of various enzymes, enzyme blends, enzyme products and customized enzyme solutions. Our experienced and qualified R&D team strives to develop creative, cost-effective unique and innovative solutions, thereby enabling our customers to develop superior products and processes. We believe that our products assist our customers in making most of their resources, optimizing their processes, improving their product quality, saving their time and money while also mitigating the impact on the environment. We offer these products to our global clientele of more than 700 customers spanning presence across 50 countries worldwide. We supply these value-added and eco-safe enzyme products to diverse end-user industries like human healthcare and nutrition, animal nutrition, food processing, baking, dairy and cheese processing, fruit and vegetable processing, cereal extraction, brewing, grain processing, protein processing, oil and fat processing, biomass processing, textile processing, leather processing, paper & pulp processing, bio-fuels, bio-catalysis etc. Although we have the capability to manufacture enzymes using all the four natural origins viz. plant, animal, bacterial and fungal, our major focus is on developing

enzymes through microbial fermentation.

Our Promoters Mr. Chandrakant Laxminarayan Rathi and Mr. Vasant Laxminarayan Rathi have a cumulative experience of more than seven decades in the global enzyme industry and have contributed widely in our Company's success and growth. Under their leadership and guidance, we have been successful in creating a strong footing in the existing markets as well as expanding our presence in new and unexplored markets. Our Promoters' knowledge and understanding of the industry has led us to win several awards and recognitions. We were recipients of the "Fastest Growing mid-sized companies" award organized by Inc. India in the year 2013. In 2014, our Company was awarded the Bio-excellence award for 'Best Industrial Biotech Company' by the department of Information Technology, Biotechnology and Science & Technology, Government of Karnataka. We were also awarded the 'Most Innovative Exporter' award organized by Dun and Bradstreet in the year 2012, 'Bio-Excellence' award instituted by the Department of Information Technology, Biotechnology and Science and Technology, Government of Karnataka in the Industrial Biotech Sector in the year 2010, and the 'Emerging India Awards 2010' for Life science-Pharmaceuticals and Chemicals segment organized by ICICI Bank – Business Banking and CNBC TV18. Further, we have been recognized as a "Star Export House" by Director General of Foreign Trade.

We are a fully integrated enzyme manufacturing company driven by extensive focus on R&D of various enzymes, enzyme blends, enzyme products and customized enzyme solutions. Our experienced and qualified R&D team consists of more than 55 members comprising of scientists, microbiologists, engineers, food technologists, biotechnologists etc. We have four R&D facilities, of which two are located at Thane, and one each at Sinnar and Chino, California. In Fiscals 2016, 2015, and 2014, our Company incurred ₹ 81.76 million, ₹ 91.31 million, and ₹ 81.27 million respectively towards R&D activities on an unconsolidated basis aggregating to 5.84%, 7.18%, and 5.94% respectively of our unconsolidated total revenues during these periods. Our persistent R&D efforts have enabled us to continuously develop new and innovative enzyme products and customised blends for various applications for our customers. As on the date of this RHP, 13 (thirteen) patents have been registered in its name and applications for registration of 4 (four) patents are pending before the relevant authorities. Additionally, we have filed 11 food enzymes dossiers with European Food Safety Authority ("EFSA") for marketing authorizations in Europe. Further, our Company has 128 (one hundred and twenty-eight) trademarks registered in its name and applications for registration of 14 (fourteen) trademarks are pending before the relevant authorities. Moreover, one of our subsidiaries, Cal-India has 44 (forty-four) trademarks registered in its name and registration of 1 (one) trademark is pending before the relevant authorities. Our Company also has 6 (six) copyrights registered in its name and application for registration 2 (two) copyright is pending before the relevant authorities.

Our six geographically-spread and accredited manufacturing facilities enable us to produce a wide range of products and help cater to a diverse set of industries globally. These facilities are flexible and multi-purpose in nature, capable of developing quality enzyme products and solutions with varying batch sizes, customised to meet our clients' requirements, while adhering to strict controlled processes and allowing for complete traceability of our products. Four of these are located in India which consist of two integrated fermentation, recovery & formulation facilities at Sinnar (Nashik, Maharashtra, India) and Pithampur (Dhar, Madhya Pradesh, India), one extraction and recovery facility at Satpur (Nashik, Maharashtra, India), and one blending, mixing and formulation facility at Vashind (Thane, Maharashtra, India). Two blending, mixing and formulation facilities are located outside of India at Chino (California, United States). Our domestic and international facilities have been approved / certified by various regulators / certifying agencies. We have received "Indian FDA" approval for several of our products as well as other global standard certifications such as "HALAL", "Kosher", "NPOP", "GOTS" etc. Most of our key clients have audited and approved our facilities and manufacturing processes, which has helped us to establish our reputation and reliability as a supplier of quality enzyme products and customized enzyme solutions, and enabled us to receive repeat business as well as attract new customers.

We have a de-risked business model having diversified client base with our top 10 customers accounting for 41.48% of our total revenues on consolidated basis for the Fiscal Year ended March 31, 2016. Some of our customers include Sanofi India, Cipla, Ipca Laboratories, Alkem Laboratories, and Emcure Pharmaceuticals. Both domestic and international markets are well serviced by our 55+ dedicated sales & marketing team.

US is an important focus market for us which contributes to a major portion of our international revenues. We primarily operate in the Healthcare and Nutrition vertical in US, and are engaged in providing proprietary and customised enzyme blends, mainly to the nutraceutical industry. Further, we also actively cater to the animal nutrition, food processing and non-food processing verticals in the US market. In the year 2012, we have also launched our own branded enzyme supplements in the US, offering healthcare professionals and consumers a natural therapeutic alternative for preventive care and health using high quality systemic and digestive enzyme supplements. We market these branded supplements through

multiple channels including retail stores, online as well as through medical professionals.

Our restated consolidated revenue from operations increased from ₹ 1,717.41 million in Fiscal 2012 to ₹ 2,937.62 million in Fiscal 2016, representing a CAGR of 14.36%. Our restated consolidated EBITDA increased from ₹ 622.80 million in Fiscal 2012 to ₹ 1,382.32 million in Fiscal 2016, representing a CAGR of 22.06%. Our restated consolidated profit after tax increased from ₹ 333.36 million to ₹ 784.35 million during the same period at a CAGR of 23.85%. We have been a consistent profit making and dividend paying Company since 1997.

Our restated consolidated revenue from operations, EBITDA and profit after tax for the fiscal year ended March 31, 2016 was ₹ 2,937.62 million, ₹ 1,382.32 million and ₹ 784.35 million respectively, with an EBITDA margin of 47.06% and PAT margin of 26.70%. For the Fiscal Year ended March 31, 2016, 63.56% of our revenue from operations was from international markets, while 36.44% was contributed by the Indian market.

Significant Factors Affecting Our Results of Operations

Our financial condition and results of operation are affected by numerous factors, the following of which are of particular importance:

Economic Growth in India

India is classified as a newly industrialized country, one of the G-20 major economies, a member of BRICS and a developing economy with approximately 7% average growth rate for the last two decades. India also topped the World Bank's growth outlook for 2015-16 for the first time with the economy having grown 7.3% in 2014-15 and expected to grow 7.5-8.3% in 2015-16. On a per capita consumption basis, a general correlation exists between enzyme demand and per capita GDP. India has per capita GDP (PPP) of US\$ 6,209 (2015 est.- IMF) and ranks 121 in the world (Source: IMF-World Economic Outlook Database, October 2015). As demand for enzymes are driven by rising per capita incomes of the countries due to strong gains in production of food and beverages, cleaning products, and animal feed etc. and from industrial markets perspective demand for enzymes increases for environmental benefits by reduction in wastewater production and energy use. The low per capita GDP of India and correlation between per capita GDP and enzyme demand indicates significant potential and headroom for growth in the Indian enzyme market. India is an attractive market with high growth rates in the past years. Enzyme use is still in its infancy with growing awareness of enzyme potential and benefits providing attractive growth perspectives.

The rapidly growing middle class populations in India and an increasing per capita GDP will be a key driver of growth for Indian enzymes industry. Rising per capita incomes will support consumer demand for higher value goods, such as detergents and food products. Consumption of western style diets, which are associated with demand for meat, baked goods, and dairy products, will continue to rise among emerging middle class populations. In turn, these foods will be increasingly produced through the use of enzymes, both in animal feed and in food processing applications. Compounding, these positive effects will be strong overall economic and industrial growth, which will benefit the country and number of enzyme using industries.

Industry Competition and Consolidation

We are the largest Indian enzyme company, engaged in the research and development, manufacturing and marketing of 400+ proprietary products developed from 60 indigenous enzymes.

We are an integrated Company with presence across the enzyme value chain, covering the entire range of activities from research & development, commercial-scale manufacturing, to marketing of enzyme products and customized enzyme solutions. Unlike various other players in the industry, which are present in only some parts of the value chain, our integrated presence enables us to be cost-effective vis-à-vis competition, and helps us ensure end-to-end quality control resulting in superior products. .

With our integrated business model and strong knowledge base, we believe we are one of the leading industry players in quality and innovation, regulatory & technical expertise, sustainability, and customer & consumer understanding. There are also several trading companies which procure concentrated enzymes, reformulate them and sell them into the domestic market. In the domestic market, our key Indian competitors are Biocon, Lumis Biotech, Maps Enzymes and Rossari

Biotech, and foreign players like Novozymes A/S, DSM Nutritional Products and DuPont Danisco. In the overseas markets like US, Europe and China, we compete with established companies who offer enzyme products and solutions like DuPont Danisco (USA/Denmark), Novozymes (Denmark), DSM Nutritional Products (Switzerland), AB Enzymes (UK), BASF (Germany) and Amano Enzymes (Japan).

Our products face competition from products commercialized or under development by competitors in all our product segments. Our business, prospects, results of operations and financial condition could be adversely affected if our competitors gain significant market share in areas in which we are focused. Many of our competitors may have greater financial, manufacturing, research and development, marketing and other resources, more experience in obtaining regulatory approvals, greater geographic reach, broader product ranges and stronger marketing and sales forces.

We also operate in a rapidly consolidating industry. Our competitors are consolidating, and the strength of the combined companies could affect our competitive position in all of our business areas. Accordingly, our results of operations depend significantly on various factors such as the demand for our products in the markets we operate in, our ability to manage our growth strategy and expansion plans, including our ability to grow our exports and our ability to grow and manage our distribution network in India.

Research and Development

Our business depends to a significant degree on our ability to successfully conduct research and development with respect to our products. Our research and development department carries out fermentation process development, applied microbiology, proteomics, application development and analytical research for our domestic and global markets portfolio in various enzymes, proprietary enzymes and in customized enzyme solutions. We believe that our continuing research and development initiatives have strengthened our product offering in our served markets across geographies. We also have a pipeline of products under development for our focus markets. However, research and development is both time-consuming and costly, and involves a high degree of business risk. To develop our product pipeline, we commit substantial time, funds and other resources. Our investment in research and development for future products could result in higher costs without a proportionate increase in revenues. In addition, we must adapt to rapid changes in our industry due to technological advances and scientific discoveries. If our existing products become obsolete in the future, and we are unable to effectively introduce new products, our business and results of operations could be adversely affected. Although we strive to keep our technology, facilities and machinery current with the latest international standards, the technologies, facilities and machinery we currently employ may become obsolete. The cost of implementing new technologies, upgrading our manufacturing facilities and retaining our research staff could be significant and could affect our results of operations.

Manufacturing Costs and Quality of our Manufacturing Facilities

Our ability to maintain our position as an innovative, efficient and cost-effective producer of enzymes and enzymes solution for various applications across industries is critical to our existence and competitiveness in the market. Our cost competitiveness is dependent on the efficient management of our production costs. The availability of key raw materials at competitive prices is critical and price fluctuations may affect our margins and, as a result, our results of operations. Additionally, any significant changes in excise duties and other commercial taxes levied on raw materials, packaging materials and finished products which cannot be recovered from or passed on to customers, changes in our production costs could have an adverse effect on our financial condition and results of operations. In addition, in order to maximize our profits, we must maintain a high level of capacity utilization at our manufacturing facilities and an appropriate standard of quality in our manufacturing facilities' equipment and processes. Attaining and maintaining this level of quality requires considerable expense and planning. We strive to maximize our operational leverage as our scale of operations increase. If we are unable to achieve, preserve and maintain level of quality in our manufacturing processes and facilities in the future, our financial condition and results of operations may be adversely affected.

Our ability to retain our Skilled Personnel

Our enzyme business is based on knowledge and experience, which means one of its most important resources for us, is our skilled personnel. Our large manufacturing capacity together with our 55+ member team of scientists, microbiologists, engineers, food technologists and biotechnologists, has enabled us to develop in-house research and development capabilities to provide solutions for our business verticals. Factors such as technical nature of the business, heavy reliance on research and development and dearth of qualified professionals with experience in biotechnology and enzyme industry

operates as an entry barrier to new players in the market.

Our Promoters have a cumulative experience of over seven decades in the global enzyme industry and are well supported by qualified professionals having experience in biotechnology and enzyme industry. Accordingly, our results of operations would significantly depend on our ability to attract, recruit, develop, motivate and retain our skilled personnel and will distinguish us from other players in the market.

Government Policies and Regulations

In Fiscal 2016, we marketed our products in over 50 countries, either directly, or through our subsidiaries. As a result, our products are subject to regulation by Indian and foreign regulatory agencies. Each of these agencies requires us to comply with laws and regulations governing the development, testing, manufacturing, labeling, marketing and distribution of our products and we are required to maintain various approvals, licenses, registration and permissions for our business activities. In the United States, and many of the international markets in which we sell our products, the approval process for a new product is complex, lengthy and expensive.

In the year 2006, an order dated June 2, 2006 was passed against our Company by the Deputy Commissioner, Nashik Division (Food and Drugs Administration Department) for contravention of the provisions of Drugs and Cosmetics Act, 1940 pursuant to which the drug licence for our manufacturing plant at Sinnar was suspended for a period of 15 days from June 26, 2006 to July 10, 2006. Further, in the year 2011, another order dated February 8, 2011 was passed by the same authority suspending the aforesaid licence for a period of 3 (three) days from March 9, 2011 to March 11, 2011. Due to such temporary suspension, our Company's operations in the aforesaid unit had to be halted and consequently, it had an impact on our business and financial condition for those respective periods in 2006 and 2011.

Subsequently, in order to address the observations made in the said orders, our Company had taken certain corrective actions, inter-alia, re-location of the equipment utilized as per the plant building drawings approved by the Food and Drugs Administration, introduction of a practice of repainting of walls, floor and ceiling based on a predetermined criteria, ensuring that the drainage gutters are covered with steel grills, ensuring appropriate labelling of the products and measures to ensure separate packing and storage of products to prevent cross-contamination. Further, the Company has discontinued production of premix products in respect of which one of the aforesaid orders dated February 8, 2011 was issued against the Company.

Further, our Company has also implemented various standard operating procedures to ensure good manufacturing practices and product quality. Such procedures, inter-alia, deal with building maintenance, dispensation of raw material, temperature monitoring, chemical and microbiological analysis of potable, distilled and DM water, scrutiny of batch manufacturing reports by the quality assurance team as well as provision of door inter-lock systems in the production section. For effective implementation of these standard operating procedures, the Company has designated personnel responsible for conduct of periodic plant safety audits.

Further, our Company has also received the WHO cGMP certification for our Sinnar facility which inter-alia reflects the production and quality assurance practices adopted by our Company. For further details, please see the chapter titled "Outstanding Litigations and Material Developments" beginning on page 340 of this RHP.

Our business, prospects, results of operations and financial condition could be adversely affected if we fail to obtain, or comply with applicable conditions that may be attached to, our approvals, licenses, registrations and permissions. We continue to file for approvals for our new products in India, USA and various other government and regulatory agencies. Any delay in the grant of approvals for new products, or any withdrawal of approval for existing products would adversely affect our results of operations. We must also ensure that government and other regulatory agencies do not withdraw approvals for sales of our existing products. For details of licenses necessary to carry on business and key policies and regulations applicable to us, please refer to the chapters titled "Government and Other Statutory Approvals" and "Key Industry Regulations and Policies" beginning on pages 351 and 176, respectively of this Red Herring Prospectus.

Fluctuations in Exchange Rates

Our products are typically priced in Rupees for our Indian sales, in U.S. Dollar for sales in the United States, in Euros for sales in the European Union, and in the local currency of the other jurisdictions where we sell our products. For the

financial year ended March 31, 2016, 63.56% of our revenue from operations were from international markets, while 36.44% was contributed by the Indian market. A significant portion of our costs, including labor, packaging materials and transportation costs, and a substantial portion of our raw materials and capital expenditures are incurred in Rupees. As a consequence, we are exposed to currency rate fluctuations between the Rupee and the U.S. Dollar, Euro and other local currencies in other jurisdictions. To some extent, we are hedged through pre shipment packing credit for our exports. However, devaluation of any of the currencies mentioned above against the Rupee may result in a reduction of our margins and, as a result, our results of operations.

Critical Accounting Policies

Only our key accounting policies that are relevant and specific to our business and operations are described below. For details on our significant accounting policies, see “Financial Statements – Annexure IV – Statement of Notes to the Consolidated Financial Information, as restated–Significant accounting policies” on page 238 of this Red Herring Prospectus.

Revenue Recognition

- i. Revenue is recognised to the extent that it is probable that economic benefits will flow to the Group and the revenue can be reliably measured.
- ii. Revenue from sale of goods is recognised on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to the customer/agent and no effective ownership is retained. Sales are inclusive of excise duty and net of sales tax and discounts.
- iii. Export incentives received pursuant to the Duty Drawback Scheme and Status holder scrip incentive are accounted on an accrual basis, to the extent it is probable that realisation is certain.
- iv. Interest income is recognised on a time proportionate basis, taking into account the amount outstanding and the rates applicable.
- v. Income from services rendered is recognised based on agreements with the customers using the proportionate completion method, when services are performed and no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering of service. Income is recognised net of service tax, as applicable.

Fixed Assets, Depreciation and Amortisation

- i. Fixed assets, both tangible and intangible are stated at cost of acquisition. Cost includes taxes, duties, freight and other incidental expenses related to acquisition and installation of the assets. Interest on borrowings to finance acquisition of fixed assets during qualifying period is capitalized.
- ii. Leasehold improvements represent expenses incurred towards civil work and interior furnishings on the leased premises.
- iii. Costs relating to acquisition of technical know-how and software are capitalized as Intangible Assets. Further, the revenue expenditure incurred for the development of product dossiers are grouped under "Intangible assets under development" to the extent such expenditure meet the criteria of Intangible Asset as defined in Accounting Standard (AS) 26.
- iv. Upto March 31, 2014 with respect to the entities incorporated in India, the depreciation on the tangible fixed assets other than plant and equipment has been provided on Written Down Value Method at the rates and in the manner prescribed in Schedule XIV of Companies Act, 1956 and on Plant and equipment on Straight Line Method with reference to managements' assessment of the depreciation rates or at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956, whichever is higher.

From April 1, 2014 with respect to the entities incorporated in India, the Group has reviewed its policy for providing depreciation on its tangible fixed assets and has also reassessed their useful lives as per Part C of Schedule II of the Companies Act, 2013. The revised useful lives, as assessed by the management, match those

specified in Part C of Schedule II of the Companies Act, 2013, for all classes of tangible assets.

Depreciation on tangible fixed assets other than Plant and equipment has been provided on Written Down Value method and on Plant and equipment on Straight Line Method.

- v. Leasehold improvements and leasehold land are depreciated over the unexpired primary period of lease except for lease hold land acquired under perpetual lease.
- vi. Intangible Assets that are ready for use are amortized on a straight line basis over a period of four years.
- vii. Tangible assets of subsidiaries incorporated in USA are depreciated over the estimated useful life of the assets using the straight-line method. The estimated useful lives of assets are as follows:

Equipment (office and machinery)	5 years
Computer equipment and software	3 years
Furniture and fixtures	5 years
- viii. Capital work in progress includes fixed assets not ready for their intended use and related incidental expenses and attributable interest.
- ix. Items of fixed assets that are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss.

Investments

Investments are classified into long-term investments and current investments. Long-term investments are carried at cost. Provision for diminution in the value of long-term investments is not provided for unless it is considered other than temporary. Current investments are valued at lower of cost and net realisable value.

Foreign Currency Transaction

- i. Initial Recognition - Transactions denominated in foreign currencies are recorded at the rates of exchange prevailing on the date of the transaction.
- ii. Conversion - Monetary assets and liabilities denominated in foreign currency are converted at the rate of exchange prevailing on the date of the Balance Sheet. Non-monetary assets and liabilities denominated in foreign currency are reported at the rate of exchange prevailing on the date of transaction.
- iii. Exchange differences - All exchange differences arising on settlement/conversion on foreign currency transactions are included in the Consolidated Statement of Profit and Loss in the year in which they arise.

Derivative Instruments

- i. The Group limits the effects of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Group enters into forward exchange contracts, where the counterparty is a bank.
- ii. As per Accounting Standard ('AS') 11 - The Effects of Changes in Foreign Exchange Rates', the premium or the discount on forward exchange contracts not relating to firm commitments or highly probable forecast transactions and not intended for trading or speculation purpose is amortized as expense or income over the life of the contract. All other derivatives, which are not covered by AS 11, are measured using the mark-to-market principle and losses, if any, are recognised in the Consolidated Statement of Profit and Loss.

Impairment of Assets

In accordance with Accounting Standard (AS) 28 on 'Impairment of Assets', the carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of the assets or where applicable, that of the cash generating unit to which the asset belongs is estimated as the higher of its net selling price and its value in use. An impairment loss is recognized whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment loss is recognized in the Consolidated Statement of Profit and Loss or against revaluation surplus, as applicable.

Inventories

- i. Inventories of stores, spares, packing materials, raw materials, finished goods, traded goods and work-in-progress are valued at lower of cost or net realisable value.
- ii. Cost of finished goods, traded goods and work-in-progress is determined by considering materials, labour and other related costs incurred in bringing the inventories to their present condition and location.

Cost of raw materials, stores, spares and packing materials is determined on first-in-first-out basis except in case of Advanced EnzyTech Solutions Limited, where it is determined on weighted average cost basis. The stock of not ordinarily interchangeable raw materials is determined on their specific individual costs.

Cost of finished goods (including traded goods) and work-in-progress is determined on the following basis:

In case of Parent Company - on specific identification method basis;

In case of Advanced Enzymes USA, Inc. (including its subsidiaries) - on weighted average cost basis; and

In case of Advanced Bio-Agro Tech Limited and Advanced EnzyTech Solutions Limited - on first-in-first-out basis.

Employee benefits (AS 15-Revised)

All short-term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.

Defined contribution plans

For the entities incorporated in India, the Group contributes to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 that is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which the employee renders services.

Superannuation benefits, a defined contribution plan, have been funded with Life Insurance Corporation of India and the contribution is charged to Consolidated Statement of Profit and Loss, when the contribution to the fund is due.

For the entities incorporated in USA, the companies contributed towards the pension cum retirement benefit plan in accordance with 401(k) of the Internal Revenue Code and the contribution paid or payable is recognised as an expense in the period in which the employee renders services.

Defined benefit plans

For the entities incorporated in India, the Group provides for gratuity benefit and leave encashment, which are defined benefit plans, covering all its eligible employees. Liability towards gratuity benefits and leave encashment is determined on actuarial valuation done by Life Insurance Corporation of India (LIC) during the year, based upon which the Group contributes to the schemes with LIC. The Group also provides for the additional liability over the amount determined by LIC based on an actuarial valuation done by an independent actuary as at the balance sheet date and actuarial gains/losses are charged to the Consolidated Statement of Profit and Loss.

The short-term provision for leave encashment has been calculated on undiscounted basis, based on the balance of leave available over and above the maximum accumulation allowed as per the Company policy.

Income Taxes

Current Tax

Current income tax expense comprises of taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Deferred Tax

Deferred tax is recognised on timing differences, being the difference between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the entity has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that such deferred tax assets can be realized against future taxable profits.

At each balance sheet date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in a period is charged to the Consolidated Statement of Profit and Loss as current tax. The Group recognises MAT credit available as an asset when it is probable that the future economic benefits associated with it will flow to the respective company, i.e., the companies will pay normal income tax during the period for which MAT Credit is allowed to be carried forward. In the period in which MAT Credit is recognised as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the Consolidated Statement of Profit and Loss and shown as “MAT Credit Entitlement.”

Borrowing Costs

Borrowing costs incurred on constructing or acquiring a qualifying asset are capitalized as cost of that asset until it is ready for its intended use or sale. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue and recognised as an expense in the Consolidated Statement of Profit and Loss.

Research and Development costs

Research and development costs incurred for development of products are expensed as incurred, except for development costs that relate to the design and testing of new or improved materials, products or processes, which are recognised as an intangible asset to the extent that it is technically feasible to complete the development of such asset and future economic benefits are expected to be generated from such assets. Capital expenditure on research and development is included as part of fixed assets and depreciated on the same basis as other fixed assets.

Provisions and Contingencies

The Group creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Consolidated Statement of Profit and Loss. **Earning per share**

The basic earnings per equity share are computed by dividing the net profit attributable to the equity shareholders for the reporting period by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares, which may be issued on the conversion of all dilutive potential shares, unless the results would be anti dilutive.

Cash and cash equivalents

Cash comprises of cash at bank and in hand and cash equivalents comprise of short-term bank deposits with an original maturity of three months or less.

Operating cycle

Based on the nature of goods/ activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Key Components of Income Statement

Income

Our income consists of revenue from operations and other income. Revenue from operations primarily consists of sale of enzymes through our two primary business verticals namely Healthcare & Nutrition (human and animal) and Bio-Processing (food and non-food) Human Nutrition, Animal Nutrition, Food Processing and Industrial Processing. Our Revenue from operations can further be mainly classified into:

- Domestic, and
- Exports

Other income majorly comprises interest income and export incentives. Apart from these two income heads, it also consists of net gains on sale of investments and fixed assets and net gains on foreign currency transactions and translations.

Expenses

Our expenses consist of cost of materials consumed, employee benefits, finance costs, depreciation and amortisation and other expenses.

Cost of materials consumed consists of raw materials and components consumed.

Employee benefit consists of salaries, wages and bonus, contribution to gratuity, provident fund and other funds and staff welfare expenses.

Finance costs comprise of interest expenses, bank charges and losses / gains on foreign currency transactions and translations.

Other expenses include manufacturing expenses, selling and distribution expenses and administrative and general expenses.

Manufacturing expenses majorly include costs of stores and spares, packing material, power and fuel, carriage inward, freight, water charges, excise duty, laboratory expenses, repairs and maintenance, etc.

Selling and distribution expenses include travel, conveyance, car hire, commission, discount on sales, sales promotion and advertisements, freight outward, etc

Administrative and general expenses include rent, rates and taxes, insurance, printing and stationery, communication expenses, directors' sitting fees, provisions for bad and doubtful debts, etc

Results of Operations

The following table sets out select financial data from our consolidated summary statement of profit and loss, as restated for the fiscal years ending 2016, 2015, 2014 and 2013, the components of which are also expressed as a percentage of total revenue for such periods. The period-to-period comparison of results is not necessarily indicative of results for future periods.

(₹) In million

Particulars	For the year ended March 31,							
	2016		2015		2014		2013	
	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage
Revenue								
Revenue from operations	2,937.62	99.70%	2,231.08	99.48%	2,394.50	99.57%	2,204.18	98.35%
Other income	8.75	0.30%	11.61	0.52%	10.31	0.43%	36.97	1.65%
Total revenue	2,946.37	100.00%	2,242.69	100.00%	2,404.81	100.00%	2,241.15	100.00%
Expenses								
Cost of materials consumed	667.01	22.64%	477.81	21.31%	578.56	24.06%	595.40	26.57%
Purchase of traded goods	3.06	0.10%	2.12	0.09%	-	0.00%	-	0.00%
Changes in inventories of finished goods, work-in-progress and traded goods	-79.92	-2.71%	-2.73	-0.12%	-107.99	-4.49%	-84.08	-3.75%
Employee benefit expense	445.05	15.10%	360.98	16.10%	328.78	13.67%	269.65	12.03%
Finance costs	78.56	2.67%	92.55	4.13%	131.93	5.49%	95.54	4.26%
Depreciation and amortisation expense	87.19	2.96%	90.17	4.02%	98.66	4.10%	75.45	3.37%
Other expenses	520.11	17.65%	484.30	21.59%	557.38	23.18%	527.61	23.54%
Total expenses	1,721.05	58.41%	1,505.20	67.12%	1,587.32	66.01%	1,479.57	66.02%
Profit before tax and exceptional items	1,225.32	41.59%	737.49	32.88%	817.49	33.99%	761.58	33.98%
Exceptional items	-	-	-	-	539.98	22.45%	-	-
Profit before tax	1,225.32	41.59%	737.49	32.88%	277.51	11.54%	761.58	33.98%
Tax expense								
Current tax	364.77	12.38%	195.57	8.72%	174.51	7.26%	234.95	10.48%

Particulars	For the year ended March 31,							
	2016		2015		2014		2013	
	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage
MAT credit entitlement	-18.53	-0.63%	-19.11	-0.85%	-18.36	-0.76%	-50.33	-2.25%
Deferred tax	85.76	2.91%	51.68	2.30%	-92.18	-3.83%	74.19	3.31%
Total Tax	432.00	14.66%	228.14	10.17%	63.97	2.66%	258.81	11.55%
Profit after tax before Minority interest	793.32	26.93%	509.35	22.71%	213.54	8.88%	502.77	22.43%
Less: Share of Minority interest	8.97	0.30%	8.33	0.37%	12.68	0.53%	10.58	0.47%
Profit after tax	784.35	26.62%	501.02	22.34%	200.86	8.35%	492.19	21.96%

Financial Year 2016 compared to Financial Year 2015 (Consolidated)

Revenue from Operations: Our revenue from operations increased by 31.67% to ₹ 2,937.62 million for fiscal 2016 from ₹ 2,231.08 million for fiscal 2015, mainly as a result of increase in our export sales by 43.20% to ₹ 1,867.06 million in fiscal 2016 from ₹ 1,303.84 million in fiscal 2015, primarily due to increase in sales of our US subsidiary SEB mainly in the Human Healthcare and Nutrition business vertical. The domestic sales grew by 15.93% to ₹ 1,177.52 million in fiscal 2016 from ₹ 1,015.72 million in fiscal 2015.

Other Income: Our other income decreased by 24.59% to ₹ 8.75 million for fiscal 2016 from ₹ 11.61 million for fiscal 2015, primarily as a result of decrease in profit on sale of fixed assets and decrease in miscellaneous income.

Total Revenue: Our total revenue increased by 31.38% to ₹ 2,946.37 million for fiscal 2016 from ₹ 2,242.69 million for fiscal 2015 on account of the reasons mentioned above.

Total Expenses: Our total expenses increased by 14.34% to ₹ 1,721.05 million for fiscal 2016 from ₹ 1,505.20 million for fiscal 2015 as a result of the following:

- **Cost of Materials Consumed:** Our cost of materials consumed increased by 39.60% to ₹ 667.01 million for fiscal 2016 from ₹ 477.81 million for fiscal 2015, primarily on account of increase in purchase of raw materials by 30.99% to ₹ 654.42 million for fiscal 2016 from ₹ 499.59 million for fiscal 2015.
- **Purchase of traded goods:** Our purchase of traded goods increased by 44.16% to ₹ 3.06 million for fiscal 2016 from ₹ 2.12 million for fiscal 2015.
- **Change in inventories of finished goods work-in-progress and traded goods:** Our change in inventory of finished goods, work in progress & traded goods increased by ₹ 77.19 million to ₹ (79.92) million for fiscal 2016 as compared to ₹ (2.73) million for fiscal 2015, primarily on account of increase in closing stock of finished goods and work in progress to aide business growth.
- **Employee Benefits Expense:** Our employee benefits expenses increased by 23.29% to ₹ 445.04 million for fiscal 2016 from ₹ 360.98 million for fiscal 2015 primarily due to an increase in salaries, wages and bonus, on account of regular salary increments, and increase in contribution to gratuity, provident fund and other funds.
- **Finance Costs:** Our finance costs decreased by 15.12% to ₹ 78.56 million for fiscal 2016 from ₹ 92.55 million for fiscal 2015, mainly due to a decrease of 16.22% in interest expenses to ₹ 66.69 million for fiscal 2016 from ₹ 79.60 million for fiscal 2015 as a result of repayment of our long term borrowings and a decrease in net loss on foreign currency transactions and translations partially offset by increase in bank charges.
- **Other Expenses:** Our other expenses increased by 7.39% to ₹ 520.11 million for fiscal 2016 from ₹ 484.30 million for 2015 primarily as a result of increase in manufacturing expenses and selling and distribution expenses, which were

partially offset by decrease in administrative and general expenses. Manufacturing expenses increased by 14.22% to ₹ 249.23 million for fiscal 2016 from ₹ 218.20 million for fiscal 2015, mainly due to increase in Consumption of stores and spare parts, carriage inward and freight, Repairs and maintenance and Laboratory expenses. Selling and distribution expenses increased by 12.20% to ₹ 105.89 million for fiscal 2016 from ₹ 94.37 million for fiscal 2015, mainly due to increase in other selling and distribution expenses, Discount on sales, and Commission. Administrative and general expenses decreased by 3.92% to ₹ 164.99 million in fiscal 2016 from ₹ 171.73 million in fiscal 2015, primarily due to decrease in Legal and professional charges, partially offset by increase in Net loss on foreign currency transactions and translations and Miscellaneous expenses

- *Depreciation and amortisation expense:* Depreciation and amortisation expense decreased by 3.31% to ₹ 87.19 million for fiscal 2016 from ₹ 90.17 million for fiscal 2015 due to decrease in depreciation on tangible assets.

Profit before tax and exceptional items: Profit before tax and exceptional items increased by 66.15% to ₹ 1,225.32 million for fiscal 2016 from ₹ 737.49 million for fiscal 2015 due to the reasons mentioned above.

Profit before tax: Profit before tax increased by 66.15% to ₹ 1,225.32 million for fiscal 2016 from ₹ 737.49 million for fiscal 2015 due to the reasons mentioned above.

Taxation: Our current taxes expenses (net of MAT credit entitlement and deferred tax) increased by 89.35% to ₹ 432.00 million for fiscal 2016 from ₹ 228.14 million for fiscal 2014, primarily as a result of increase in tax expenses in India due to relatively lower tax benefit, and increase in tax expenses in US Subsidiaries.

Profit after tax before Minority interest: Profit after tax before minority interest increased by 55.75% to ₹ 793.32 million for fiscal 2016 from ₹ 509.35 million for fiscal 2015 due to the reasons mentioned above.

Share of Minority interest: Share of Minority interest increased by 7.68% to ₹ 8.97 million for fiscal 2016 from ₹ 8.33 million for fiscal 2015.

Net Profit, as Restated: As a result of the above, our net profit (net of minority interest), as restated, increased by 56.55% to ₹ 784.35 million for fiscal 2016 from ₹ 501.02 million for fiscal 2015.

Financial Year 2015 compared to Financial Year 2014 (Consolidated)

Revenue from Operations: Our revenue from operations decreased by 6.82% to ₹ 2,231.08 million for fiscal 2015 from ₹ 2,394.50 million for fiscal 2014, mainly as a result of decrease in our export sales by 13.68% to ₹ 1,303.84 million in fiscal 2015 from ₹ 1,510.43 million in fiscal 2014. This decrease in export sales was partially offset by growth in our domestic sales by 4.55% to ₹ 1,015.72 million in fiscal 2015 from ₹ 971.53 million in fiscal 2014. It may be noted that sales returns of ₹ 243.75 million was recorded as an exceptional item in fiscal 2014 (on account of the voluntary product recall), adjusting for which our revenue from operations would have been ₹ 2,150.75 million. This when compared to our revenue from operations for fiscal 2015 of ₹ 2,231.08 million would have resulted in a growth of 3.73%.

Our other income increased by 12.63% to ₹ 11.61 million for fiscal 2015 from ₹ 10.31 million for fiscal 2014, primarily as a result of an increase in other non-operating income and profit on sale of fixed assets partly offset by a decrease in export incentive and interest income .

Total Revenue: Our total revenue decreased by 6.74% to ₹ 2,242.69 million for fiscal 2015 from ₹ 2,404.81 million for fiscal 2014 on account of the reasons mentioned above. It may be noted that sales returns of ₹ 243.75 million was recorded as an exceptional item in fiscal 2014 adjusting for which our total revenue would have been ₹ 2,161.06 million. This when compared to our total revenue for fiscal 2015 of ₹ 2,242.69 million would have resulted in a growth of 3.78%.

Total Expenses: Our total expenses decreased by 5.17% to ₹ 1,505.20 million for fiscal 2015 from ₹ 1,587.32 million for fiscal 2014 as a result of the following:

- *Cost of Materials Consumed:* Our cost of materials consumed decreased by 17.41% to ₹ 477.81 million for fiscal 2015 from ₹ 578.56 million for fiscal 2014, primarily on account of conversion of raw material inventory into inventory of finished goods and work in progress, and optimisation of raw material consumption mainly at our Pithampur manufacturing facility.

- *Change in inventories of finished goods work-in-progress and traded goods:* Our change in inventory of finished goods, work in progress & traded goods increased by ₹ 105.25 million to ₹ (2.73) million for fiscal 2015 as compared to ₹ (107.99) million for fiscal 2014, primarily on account of conversion of raw material inventory into inventory of finished goods and work in progress.
- *Purchase of traded goods:* Our purchase of traded goods was ₹ 2.12 million for fiscal 2015 as compared to nil for fiscal 2014.
- *Employee Benefits Expense:* Our employee benefits expenses increased by 9.79% to ₹ 360.98 million for fiscal 2015 from ₹ 328.78 million for fiscal 2014 primarily due to an increase in salaries, wages and bonus and increase in contribution to gratuity, provident fund and other funds, on account of regular salary increments.
- *Finance Costs:* Our finance costs decreased by 29.85% to ₹ 92.55 million for fiscal 2015 from ₹ 131.93 million for fiscal 2014, mainly due to a decrease of 83.90% in Net loss on foreign currency transactions and translations to ₹ 5.64 million for fiscal 2015 from ₹ 35.05 million for fiscal 2014, due to foreign currency movements, and a decrease in Interest expenses of 10.87% to ₹ 79.60 million for fiscal 2015 from ₹ 89.31 million for fiscal 2014 as a result of repayment of our long term and short term borrowings.
- *Other Expenses:* Our other expenses decreased by 13.11% to ₹ 484.30 million for fiscal 2015 from ₹ 557.38 million for 2014 primarily as a result of decrease in manufacturing, selling and distribution, and administrative and general expenses. Manufacturing expenses decreased by 19.66% to ₹ 218.20 million for fiscal 2015 from ₹ 271.60 million for fiscal 2014, mainly due to decrease in consumption of power and fuel, on account of use of coal fired boiler for generation of steam at our Sinnar manufacturing facility leading to a reduction in consumption of furnace oil and diesel. Selling and distribution expenses decreased by 10.11% to ₹ 94.37 million for fiscal 2015 from ₹ 104.98 million for fiscal 2014, mainly due to decrease in travel, conveyance and car hire, commission, freight outward and forwarding charges on account of a reduction in our export sales during this period. Administrative and general expenses decreased by 5.02% to ₹ 171.73 million in fiscal 2015 from ₹ 180.80 million in fiscal 2014, mainly on account of certain provision for doubtful debts, bad debts written off, and advances/assets written off in fiscal 2014 and on account of certain fees and service charges paid to MIDC Jalna.
- *Depreciation and amortisation expense:* Depreciation and amortisation expense decreased by 8.60% to ₹ 90.17 million for fiscal 2015 from ₹ 98.66 million for fiscal 2014 due to decrease in depreciation on tangible assets, mainly on account of the impact of the revised useful life of assets calculated in accordance with Part C of Schedule II of the Companies Act, 2013.

Profit before tax and exceptional items: Profit before tax and exceptional items decreased by 9.79% to ₹ 737.49 million for fiscal 2015 from ₹ 817.49 million for fiscal 2014 due to the reasons mentioned above.

Profit before tax: Profit before tax increased by 165.75% to ₹ 737.49 million for fiscal 2015 from ₹ 277.51 million for fiscal 2014 due to the reasons mentioned above and an exceptional item being there in fiscal 2014.

Taxation: Our current taxes expenses (net of MAT credit entitlement and deferred tax) increased by 256.63% to ₹ 228.14 million for fiscal 2015 from ₹ 63.97 million for fiscal 2014 as a result of increase in our profit before tax.

Profit after tax before Minority interest: Profit after tax before minority interest increased by 138.52% to ₹ 509.35 million for fiscal 2015 from ₹ 213.54 million for fiscal 2014 due to the reasons mentioned above.

Share of Minority interest: Share of Minority interest decreased by 34.30% to ₹ 8.33 million for fiscal 2015 from ₹ 12.68 million for fiscal 2014.

Net Profit, as Restated: As a result of the above, our net profit (net of minority interest), as restated, increased by 149.44% to ₹ 501.02 million for fiscal 2015 from ₹ 200.86 million for fiscal 2014.

Financial Year 2014 compared to Financial Year 2013 (Consolidated)

Revenue from Operations: Our revenue from operations increased by 8.63% to ₹ 2,394.50 million for fiscal 2014 from ₹ 2,204.18 million for fiscal 2013, mainly as a result of increase in our export sales by 17.06% to ₹ 1,510.43 million in fiscal 2014 from ₹ 1,290.27 million in fiscal 2013 which was on account of the full year impact acquisition of AST Enzymes.

This increase in export sales was partially offset by decrease in our domestic sales by 4.14% to ₹ 971.53 million for fiscal 2014 from ₹ 1,013.45 million for fiscal 2013, which was on account of our strategic decision to go slow on non-core low margin products. It may be noted that sales returns of ₹ 243.75 million was recorded as an exceptional item in fiscal 2014 adjusting for which our revenue from operations would have been ₹ 2,150.75 million. This when compared to our revenue from operations for fiscal 2013 of ₹ 2,204.18 million would have shown a decrease of 2.42%.

Other Income: Our other income decreased by 72.12% to ₹ 10.31 million for fiscal 2014 from ₹ 36.97 million for fiscal 2013, primarily as a result of decrease in other non-operating miscellaneous income and export incentives.

Total Revenue: Our total revenue increased by 7.30% to ₹ 2,404.81 million for fiscal 2014 from ₹ 2,241.15 million for fiscal 2013 on account of the reasons mentioned above. It may be noted that sales returns of ₹ 243.75 million was recorded as an exceptional item in fiscal 2014 adjusting for which total revenue would have been ₹ 2,161.06 million. This when compared to our total revenue for fiscal 2013 of ₹ 2,241.15 million would have shown a decrease of 3.57%.

Total Expenses: Our total expenses increased by 7.28% to ₹ 1,587.32 million for fiscal 2014 from ₹ 1,479.57 million for fiscal 2013, as a result of the following:

- *Cost of Materials Consumed:* Our cost of materials decreased by 2.83% to ₹ 578.56 million for fiscal 2014 from ₹ 595.40 million for fiscal 2013, on account of higher contribution of export sales in our total revenue which has better realizations and margins.
- *Change in inventories of finished goods and work-in-progress:* Our change in inventory of finished goods, work in progress & traded goods increased by ₹ 23.90 million to ₹ (107.99) million for fiscal 2014 as compared to ₹ (84.08) million for fiscal 2013.
- *Employee Benefits Expense:* Our employee benefits expense increased 21.93% to ₹ 328.78 million for fiscal 2014 from ₹ 269.65 million for fiscal 2013 primarily due to an increase in salaries, wages and bonus of 23.97% to ₹ 303.13 million for fiscal 2014 from ₹ 244.53 million for fiscal 2013. This was mainly on account of the full year impact of acquisition of AST Enzymes, regular salary increments and increase in headcount.
- *Finance Costs:* Our finance costs increased 38.09% to ₹ 131.93 million for fiscal 2014 from ₹ 95.54 million for fiscal 2013, mainly due to increase in net loss on foreign currency transactions and translations to ₹ 35.05 million in 2014, as compared to ₹ 0.06 million for fiscal 2013 on account of depreciation of rupee and consequential foreign exchange impact.
- *Other Expenses:* Our other expenses increased by 5.64% to ₹ 557.38 million for fiscal 2014 from ₹ 527.61 million for fiscal 2013 primarily as a result of an increase in selling and distribution, and administrative and general expenses, partially offset by reduction in manufacturing expenses. Selling and distribution expenses increased by 19.45% to ₹ 104.98 million for fiscal 2014 from ₹ 87.89 million for fiscal 2013, mainly due to increase in sales promotion and advertisement, freight outward and forwarding, other selling and distribution expenses, travel, conveyance and car hire and commission, on account of increase in our export sales. Administrative and general expenses increased by 19.42 % to ₹ 180.80 million for fiscal 2014 from ₹ 151.40 million for fiscal 2013, mainly contributed by increase in legal and professional charges, insurance, repairs and maintenance –others, rates and taxes and rent. Manufacturing expenses decreased by 5.80% to ₹ 271.60 million for fiscal 2014 from ₹ 288.32 million for fiscal 2013, mainly due to decrease in raw material consumption during the year, on account of higher proportion of export sales, leading to a decrease in Consumption of stores and spare parts and Power and fuel.
- *Depreciation and amortisation expense:* Depreciation and amortisation expense increased by 30.76% to ₹ 98.66 million for fiscal 2014 from ₹ 75.45 million for fiscal 2013 due to increase in depreciation on tangible assets, mainly on account of the full year impact of depreciation of Pithampur manufacturing facility which commenced operations during fiscal 2013 and additions to the tangible assets during fiscal 2014.

Profit before tax and exceptional items: Profit before tax and exceptional items increased by 7.34% to ₹ 817.49 million for fiscal 2014 from ₹ 761.58 million for fiscal 2013 due to the reasons mentioned above.

Exceptional items: There was an exceptional item during fiscal 2014 of ₹ 539.98 million. Some of the consignments of goods of enzymes sold by the Company were reported to have potential contamination. During the second half of fiscal 2014, the Company had done voluntary recall of those specific lots and got goods returned back from some of its

customers. Accordingly, the Group had to charge a one time inventory write off, settle claims of some of the customers and incur certain expenses related to recall.

Sales returns	₹ 243.75 million
Expenditure towards settlement of claims	₹ 247.09 million
Write offs	₹ 13.76 million
Other related expenses	₹ 50.67 million
Total Expenses	₹ 555.27 million
Less: Insurance claim received	₹ 15.29 million
Exceptional Item	₹ 539.98 million

Profit before tax: Profit before tax decreased by 63.56% to ₹ 277.51 million for fiscal 2014 from ₹ 761.58 million for fiscal 2013 due to the reasons mentioned above.

Taxation: Our current taxes expenses (adjusted for MAT credit entitlement and deferred tax) decreased by 75.28% to ₹ 63.97 million for fiscal 2014 from ₹ 258.81 million for fiscal 2013 as a result of decrease in profit before tax.

Profit after tax before Minority interest: Profit after tax before minority interest decreased by 57.52% to ₹ 213.54 million for fiscal 2014 from ₹ 502.77 million for fiscal 2013 due to the reasons mentioned above.

Share of Minority interest: Share of Minority interest increased by 19.92% to ₹ 12.68 million for fiscal 2014 from ₹ 10.58 million for fiscal 2013.

Net Profit, as Restated: As a result of the above, our net profit, as restated, decreased by 59.19% to ₹ 200.86 million for fiscal 2014 from ₹ 492.19 million for fiscal 2013.

EBITDA and EBITDA Margin

We monitor certain key business metrics to help us evaluate growth trends, establish budgets, measure the effectiveness of our sales and marketing efforts, and assess operational efficiencies. We have presented consolidated EBITDA and EBITDA Margin, both of which are non-GAAP financial measures below.

We calculate EBITDA as revenue from operations (net) less total expenses (expenses other than finance cost, depreciation and amortization, and exceptional items). We define our EBITDA Margin as EBITDA divided by revenue from operations (net).

(₹) in million

Particulars	For the year ended March 31,			
	2016	2015	2014	2013
EBITDA	1,382.32	908.60	1,037.77	895.60
EBITDA Margin	47.06%	40.72%	43.34%	40.63%

EBITDA and EBITDA Margin are not measurements of financial profitability or liquidity under GAAP and should not be considered as an alternative to performance measures derived in accordance with GAAP.

We make no representations as to the methodologies used to define and/or calculate EBITDA and EBITDA Margin or whether these reflect an appropriate measure of our Company's operating performance.

In addition, these are not standardised terms, hence a direct comparison between companies using such a term may not be possible. Our use of EBITDA and EBITDA Margin thus has limitations as an analytical tool, and you should not consider them either in isolation or as a substitute for analysis of our financial results as reported under Indian GAAP. Because of these and other limitations, you should consider EBITDA and EBITDA Margin along with other GAAP-based financial performance measures, including various cash flow metrics, profit after tax, and our Indian GAAP financial results.

Reconciliation of Financial Measures

The following is a reconciliation of our restated profit for the year to our definitions of EBITDA and EBITDA Margin:

Particulars	For the year ended March 31,			
	2016	2015	2014	2013
(A) Revenue				
Revenue from operations	2,937.62	2,231.08	2,394.50	2,204.18
Expenses				
Cost of materials consumed	667.01	477.81	578.56	595.40
Purchase of traded goods	3.06	2.12	-	-
Changes in inventories of finished goods, work-in-progress and traded goods	-79.92	-2.73	-107.99	-84.08
Employee benefit expense	445.05	360.98	328.78	269.65
Other expenses	520.11	484.30	557.38	527.61
(B) Total expenses	1,555.30	1,322.47	1,356.74	1,308.58
(C) EBITDA= (A) – (B)	1,382.32	908.60	1,037.77	895.60
EBITDA Margin (C/A*100)	47.06%	40.72%	43.34%	40.63%

Financial Condition, Liquidity and Capital Resources

Our primary liquidity and funding needs have been for working capital and capital expenditures. To fund these requirements in recent periods, we have primarily relied on our cash flow from operations.

We believe that our current cash and cash equivalents and the cash flow from operations, along with the expected net proceeds from this Offer, will be sufficient to meet our anticipated working capital and capital expenditure requirements, as well as other operating needs under our current business plans for the next 12 – 24 months. However, we cannot assure you that our anticipated capital requirements will not increase or that the expected cash flow from operations will not decrease from our current expectations over the next 12 – 24 months. In such an event, we may also source additional funds from external sources such as bank loans and debt.

Our anticipated cash flow from operations depends on several factors beyond our control, such as the competitive landscape, pricing of our solutions, the demand and supply for our solutions, inflation and foreign currency exchange rates. Our ability to obtain adequate financing to satisfy demands on liquidity may be limited by our financial condition and results of operations and liquidity of international and domestic financial markets. In the event that we cannot meet our liquidity and funding requirements with internally generated cash flows, we may seek other external sources of funding. We cannot assure you that we will be able to obtain suitable financing arrangements for our future liquidity and funding needs.

Cash Flows

The following table summarizes our consolidated statements of cash flows, as restated for the periods presented:

Particulars	For the year ended March 31,			
	2016	2015	2014	2013
A. Net cash (used in)/generated from operating activities	1,027.43	538.99	432.55	410.95
B. Net cash (used in) investing activities	(139.03)	(109.40)	(104.60)	(307.89)
C. Net cash (used in) / generated from financing activities	(616.09)	(367.76)	(196.96)	(31.91)
Net (decrease) / increase in cash and cash equivalents (A+B +C)	272.31	61.83	130.99	71.15

Operating activities

Our operating activities have consistently generated cash on a net basis in recent periods. Our net cash flow from operating activities in recent periods largely reflects the growth in our operating profit, as supplemented or offset (depending on the period) by changes in working capital and direct taxes paid (net of refunds). For fiscal years 2016, 2015, 2014 and 2013, our net cash generated from operating activity was ₹ 1,027.43 million, ₹ 538.99 million, ₹ 432.55 million and ₹ 410.95 million, respectively.

We expect to continue generating positive cash flow from our operations. However, we cannot predict whether current trends and conditions will continue or what the effect on our business might be from the competitive environment in which we operate.

Operating Activities

Consolidated net cash generated from our operating activities was ₹ 1,027.43 million for fiscal 2016, and consisted of net profit before taxes of ₹ 1,225.32 million, as adjusted for a number of items, including, among others:

- Depreciation and amortisation of ₹ 87.19 million
- Interest expenses of ₹ 66.69 million
- Increase in trade payables of ₹ 7.26 million
- Decrease in long term loans and advances of ₹ 16.02 million
- Increase in other current liabilities and provisions of ₹ 54.25 million

Partially offset by

- Increase in inventories of ₹ 78.59 million
- Increase in other current assets of ₹ 17.80 million
- Increase in trade receivables of ₹ 50.39 million
- Interest incomes of ₹ 4.63 million
- Unrealised foreign exchange gain of ₹ 2.09 million
- Increase in short term loans and advances of ₹ 7.97 million
- Income taxes paid of ₹ 270.30 million

Consolidated net cash generated from our operating activities was ₹ 538.99 million for fiscal 2015, and consisted of net profit before taxes of ₹ 737.49 million, as adjusted for a number of items, including, among others:

- Depreciation and amortisation of ₹ 90.17 million
- Unrealised Foreign exchange loss of ₹ 4.09 million
- Fixed Assets written off of ₹ 3.94 million
- Interest expenses of ₹ 79.60 million
- Increase in trade payables of ₹ 12.85 million
- Decrease in long term loans and advances of ₹ 27.49 million
- Decrease in short term loans and advances of ₹ 28.07 million

Partially offset by

- Interest incomes of ₹ 4.43 million
- Decrease in other current liabilities and provisions of ₹ 100.84 million
- Increase in inventories of ₹ 26.99 million
- Increase in trade receivables of ₹ 50.28 million
- Income taxes paid of ₹ 263.91 million

Consolidated net cash generated from our operating activities was ₹ 432.55 million for fiscal 2014, and consisted of net profit before taxes of ₹ 277.51 million, as adjusted for a number of items, including, among others:

- Depreciation and amortisation of ₹ 98.66 million

- Interest expenses of ₹ 89.31 million
- Unrealised Foreign exchange loss of ₹ 18.90 million
- Increase in other current liabilities and provisions of ₹ 222.48 million
- Decrease in trade receivables of ₹ 62.08 million
- Decrease in long term loans and advances of ₹ 4.61 million

Partially offset by

- Interest incomes of ₹ 5.92 million
- Decrease in trade payables of ₹ 64.92 million
- Increase in inventories of ₹ 53.47 million
- Increase in short term loans and advances of ₹ 32.93 million
- Income taxes paid of ₹ 193.85 million

Consolidated net cash generated from our operating activities was ₹ 410.95 million for fiscal 2013, and consisted of net profit before taxes of ₹ 761.58 million, as adjusted for a number of items, including, among others:

- Depreciation and amortisation of ₹ 75.45 million
- Interest expenses of ₹ 90.41 million
- Decrease in long term loans and advances of ₹ 36.37 million

Partially offset by

- Interest incomes of ₹ 6.09 million
- Increase in inventories of ₹ 155.11 million
- Increase in trade receivables of ₹ 64.26 million
- Decrease in other current liabilities and provisions of ₹ 51.56 million
- Decrease in trade payables of ₹ 13.15 million
- Increase in short term loans and advances of ₹ 11.58 million
- Income taxes paid of ₹ 254.12 million

Financing Activities

Net cash used in financing activities was ₹ 616.09 million for the fiscal 2016, majorly as a result of repayment of long-term borrowings of ₹ 576.39 million, interest payment of ₹ 75.19 million and dividend payment of ₹ 26.55 million, partly offset by proceeds from short term borrowings of ₹ 62.04 million.

Net cash used in financing activities was ₹ 367.76 million for the fiscal 2015, as a result repayment of long-term borrowings of ₹ 107.71 million, repayment of short-term borrowings of ₹ 154.20 million, interest payment of ₹ 88.27 million and dividend payment of ₹ 17.52 million.

Net cash used in financing activities was ₹ 196.96 million for the fiscal 2014, majorly as a result of repayment of long-term borrowings of ₹ 139.79 million, interest payment of ₹ 70.90 million and dividend payment of ₹ 39.76 million, partly offset by proceeds from short term borrowings of ₹ 53.49 million.

Net cash used in financing activities was ₹ 31.91 million for the fiscal 2013, majorly as a result repayment of long-term borrowings of ₹ 187.44 million, interest payment of ₹ 90.41 million, dividend payment of ₹ 28.64 million and repayment of short-term borrowings of ₹ 22.56 million partly offset by proceeds from issue of shares of ₹ 299.98 million.

Investing Activities

Net cash used in investing activities was ₹ 139.03 million for the fiscal 2016, majorly as a result of purchase of tangible assets including CWIP (Capital Work in Progress) of ₹ 133.36 million, Expenditure on intangible assets under development of ₹ 12.42 million partly offset by interest received of ₹ 7.17 million.

Net cash used in investing activities was ₹ 109.40 million in fiscal 2015, majorly as a result of purchase of tangible assets including CWIP of ₹ 87.86 million, Expenditure on intangible assets under development of ₹ 38.20 million partly offset by interest received of ₹ 8.96 million Proceeds from sale of tangible assets of ₹ 4.32 million and Redemption of fixed deposits

with maturity of more than 3 months but less than 12 months (net) of ₹ 2.66 million.

Net cash used in investing activities was ₹ 104.60 million in fiscal 2014, majorly as a result of purchase of tangible assets including CWIP of ₹ 94.93 million, Expenditure on intangible assets under development of ₹ 11.34 million and partly offset by interest received, of ₹ 4.83 million.

Net cash used in investing activities was ₹ 307.89 million in fiscal 2013, majorly as a result of purchase of tangible assets including CWIP of ₹ 150.68 million, movement in goodwill of ₹ 160.48 million partly offset by interest received of ₹ 5.88 million.

Contingent Liabilities and Capital Commitments

Contingent liabilities primarily relate to claims against our Group not acknowledged as debts relating to legal cases and contracts remaining to be executed on capital account and not provided for by our Company.

The principal components of our consolidated contingent liabilities and capital commitments as of the dates indicated are set forth below:

Particulars	As at March 31,				
	(₹) in million				
	2016	2015	2014	2013	2012
a) Contingent liabilities					
i) Pertains to income tax demand/ matters on account of deductions/ disallowances for earlier years, pending for appeals consequent to order passed against the Company/ demands raised by the Income Tax Department under Income Tax Act, 1961. Amount paid there against and included under Annexure XVI 'Loans and advances' (March 31, 2016 - Rs. 24.00 million, March 31, 2015 - Rs. 16.00 million and March 31, 2014 - Rs. 4.00 million).	170.97	142.24	221.43	97.40	3.15
ii) Pertains to excise duty and service tax demand raised by Commissioner of Central Excise, Customs and Service tax on account of inadmissible CENVAT credit, incorrect product classification and service tax levy on directors' remuneration for various periods.	23.16	-	-	-	-
liability arising for excise duty and service tax on account of observations for the earlier years through Excise Audit conducted by the excise authorities.	-	22.95	-	-	-
iv) Advanced Enzymes USA, Inc. had received written demands from clients for approximately USD 3.90 million, based on allegations that its products delivered to the clients did not conform to certain pre-agreed specifications. The company had been advised by the legal counsel that it is possible, but not probable that the claims would succeed and accordingly no provision for liability was recognised in the consolidated financial statements.	-	246.69	292.09	-	-
Total A	194.13	411.88	513.52	97.40	3.15
b) Commitments					

Estimated amount of capital commitments remaining to be executed	4.24	1.09	12.62	5.07	6.02
Total B	4.24	1.09	12.62	5.07	6.02
Total A+B	198.37	412.97	526.14	102.47	9.17

For a description of our contingent liabilities, see “Financial Statements – Annexure IV – Statement of Notes to the Unconsolidated Financial Information, as restated - Contingent Liabilities and Commitments” and “Financial Statements – Annexure IV – Statement of Notes to the Consolidated Financial Information, as restated – Contingent Liabilities and Commitments” on pages 287 and 246, respectively, of this Red Herring Prospectus.

Investments

We hold shares of our group company, Advanced Vital Enzymes Private Limited. Apart from this, we also hold some shares in Bombay Mercantile Co-op. Bank Ltd. Our total investments as of the dates indicated are set forth below:

(₹ in Million)

Particulars	As at March 31,			
	2016	2015	2014	2013
Advanced Vital Enzymes Private Limited	0.57	0.57	0.57	0.57
Bombay Mercantile Co-op. Bank Limited	0.05	0.05	0.05	0.05
Total	0.62	0.62	0.62	0.62

Off Balance Sheet Arrangements

We do not have any off balance sheet arrangements or other relationships with unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off balance sheet arrangements.

Related Party Transactions

We have engaged in the past, and may engage in the future transactions with related parties on an arm’s lengths basis. Such transactions could be for provision of services, lease of assets or property, sale or purchase of equity shares or entail incurrence of indebtedness. For details of our related party transactions, see “Financial Statements – Annexure XXX- Unconsolidated Statement of Related party disclosures, as restated” and “Financial Statements – Annexure XXXII – Consolidated Statement of Related party disclosures, as restated” on pages 312 and 264, of this Red Herring Prospectus.

Quantitative and Qualitative Disclosures about Market Risk

Credit Risk

Credit terms extended to our Company’s customers vary between zero and 90 days. To minimize the risk of a significant impact on the business due to a customer defaulting on its commitments, we closely monitor trade receivables.

Bad debt provisions are calculated on a case to case basis, based on certainty of recovery

Currency Exchange Risk

Changes in currency exchange rates may affect our results of operations, borrowings and future capital expenditures in foreign currency

Inflation Risk

Although India has experienced fluctuation in inflation rates in recent years, inflation has not had a direct impact on our business or results of operation. An increase in inflation rates may however, adversely affect growth in the Indian economy.

Other Qualitative Factors

Seasonality of Business

We are not exposed to seasonality of business.

Unusual or Infrequent Events or Transactions

Except as described in this Red Herring Prospectus, there have been no events or transactions to our knowledge which may be described as “unusual” or infrequent”.

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing

Operations

Except as described in the chapter titled “Industry Overview” beginning on page 130 of this Red Herring Prospectus, to our knowledge, there are no significant economic changes that materially affected or are likely to affect our income from continuing operations.

Significant Regulatory Changes

Except as described in the chapter titled “Key Industry Regulations and Policies” beginning on page 176 of this Red Herring Prospectus, to our knowledge, there are no significant regulatory changes that materially affected or are likely to affect our income from continuing operations.

Known Trends or Uncertainties

Other than as described in the section titled “Risk Factors” and chapter titled “Management's Discussion and Analysis of Financial Conditions and Results of Operations” beginning on pages 19 and 315, respectively, of this Red Herring Prospectus, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

Future relationship between costs and income

Other than as described in the section titled “Risk Factors” and chapter titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 19 and 315, respectively, and elsewhere in this Red Herring Prospectus, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company.

Competitive Conditions

We expect competition in the sector from existing and potential competitors to intensify. For further details, see chapter titled “Our Business” beginning on page 152 of this Red Herring Prospectus.

New Product or Business Segment

Other than as described in the chapter titled “Our Business” beginning on page 152 of this Red Herring Prospectus, there are no new products or business segments.

Dependent on a Single or Few Customers

Our revenue is not dependent on a single or a few customers.

Significant Developments after March 31, 2016 that may affect our future Results of Operations

The Board of Directors in its meeting held on March 26, 2016, has approved availing a vehicle loan, amounting to ₹ 5.00 million for Mr. Mukund Madhusudan Kabra, our Executive and Whole-time Director, and this vehicle loan was disbursed in the month of April, 2016.

To our knowledge and belief, no circumstances other than as those disclosed in this Red Herring Prospectus under “Material Developments Occurring After Balance Sheet Date” on page 350 have arisen since the date of the last financial statements contained in this Red Herring Prospectus which materially affect or are likely to affect, the trading and profitability of our Company, or the value of our assets or our ability to pay material liabilities within the next 12 months.

FINANCIAL INDEBTEDNESS

In terms of the Articles of Association of the Company, the Board is authorized to accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) or upto such amount as may be approved by the shareholders from time to time.

Our Company has obtained the necessary consents required under the relevant loan documentation with banks and financial institutions for undertaking activities, such as change in its capital structure, change in its shareholding pattern and change in promoter's shareholding which has a possible change in the management control of our Company. In this regard, our Company has received consents from its lenders i.e. Citibank N.A., DBS Bank Limited, HDFC Bank Limited and Kotak Mahindra Bank Limited to undertake the Offer vide their letters dated December 22, 2015, December 17, 2015, November 16, 2015 and December 23, 2015, respectively.

As on March 31, 2016, our Company has total outstanding secured borrowings from banks and financial institutions aggregating to ₹ 444.35 Million.

Set forth below is a brief summary of our aggregate borrowings from banks and financial institutions on a consolidated basis as of March 31, 2016:

Category of borrowing from banks and financial institutions	Outstanding amount (₹ in million) as on March 31, 2016
Term loans	
Secured	140.00
Unsecured	-
Working Capital Facility	296.34
Vehicle Loans	8.01
Total	444.35

Principal terms of the borrowings availed by us from banks and financial institutions:

Interest:

In terms of the loans availed by our Company, the interest rate is typically the base rate of a specified lender and spread per annum, subject to a minimum interest rate. The spread varies between different loans. The interest rate for the loans availed by our Company ranges from 9.96% per annum to 12.75% per annum, or (LIBOR) + 200 basis points, in respect of export credit facility.

Tenor: The tenor of the term loans availed by our Company typically ranges from 3 (three) years to 5 (five) years and 59 (fifty-nine) to 60 (sixty) early monthly installments, in respect of vehicle loans.

Security: In terms of our borrowings where security needs to be created, our Company is typically required to:

- a) Create a pari passu charge on movable and immovable fixed assets of the Company.
- b) Create a pari passu charge on stocks and receivable and over the entire current assets of our Company to be shared on pari passu basis with other banks providing working capital facilities.
- c) Create a pari passu charge on all existing and future current assets of the Company.
- d) Charge on the vehicle purchased out of the amount financed.

This is an indicative list and there may be additional requirements for creation of security under the various borrowing arrangements entered into by our Company.

Re-payment:

The working capital facilities are typically repayable on demand. While certain term loans are repayable on demand, the repayment period for most term loans typically ranges from 3 (three) years to 5 (five) years and 59 (fifty-nine) to 60 (sixty) early monthly installments, in respect of vehicle loans.

Events of Default:

Borrowing arrangements entered into by our Company contain standard events of default, including:

Without prior consent of the aforesaid banks, our Company:

- a) Cannot invest by way of share capital in or lend or advance funds to or place deposits with any other concern other than its own 100 percent subsidiaries other than normal trade credit or security deposits in the usual course or business or advances to employees, etc.;
- b) Cannot undertake any new project/scheme, if any, if the terms of the loan documents are likely to be breached;
- c) Cannot make any material change in its management setup or any material change in its shareholding pattern or promoter's shareholding which has a possible change in the management control of the Company.
- d) Cannot undertake or permit any reorganization, amalgamation, merger, demerger, reconstruction, takeover, substantial change in ownership or shareholding or formulate any scheme of amalgamation/reconstitution affecting its present constitution;
- e) Cannot make substantial alteration to the nature of its business or amend or alter any of the provisions of the Company's MoA and AoA relating to borrowing powers or principal business activities;
- f) shall not create any financial indebtedness or raise any term loans or make any fresh borrowings except as stated aforesaid;
- g) Shall not prepay or repay or satisfy any financial indebtedness extended to the Company by the Promoters or their associated entities; and
- h) Cannot create or allow to exist any encumbrance or security over assets specifically charged to the aforesaid lenders.
- i) Cannot advance or give loans to its group companies and/or promoters.

This is an indicative list and there may be additional terms that may amount to an event of default under the various loan facilities availed by our Company.

Borrowings availed by us from related parties

In addition to the borrowings availed by us from banks/financial institutions, we have also availed certain term loans from related parties.

Set forth below is a brief summary of our secured borrowings from related parties as of March 31, 2016:

Sr. No.	Lender	Amount outstanding as at March 31, 2016 (₹ in million)	Rate of interest	Repayment schedule of loans	No. of installments outstanding as at March 31, 2016	Security provided
1.	Rathi Property LLC	78.77	3.50 % per annum	Payable in 19 equal quarterly installment of USD 172,071	7	Pledge of 2,000 equity shares of Cal-India and 1,000 equity shares of AST Enzymes respectively.
2.	Mr. Vasant Rathi	440.49	3.50 % per annum	Payable in 19 equal quarterly installment of USD 975,072	7	Pledge of 2,000 equity shares of Cal-India and 1,000 equity shares of AST Enzymes respectively.

SECTION VII – LEGAL AND OTHER REGULATORY INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no:

A. (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; or (iv) Material Litigation (as defined below); involving our Company, Directors, Promoters, Group Companies or Subsidiaries. Our Board, in its meeting held on November 28, 2015, determined that outstanding legal proceedings involving the Company, Subsidiaries, Directors, Promoters and Group Companies: (a) where the aggregate amount involved, in such individual litigation exceeds 1% of the consolidated profit after tax of our Company as per last consolidated audited financial statements; or (b) where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in such single litigation individually may not exceed 1% of the consolidated profit after tax as per the last consolidated audited financial statements, if similar litigations put together collectively exceed 1% of the consolidated profit after tax of the Company, or (c) litigations whose outcome could have a material impact on the business, operations, prospects or reputation of our Company, will be considered as material litigation (“Material Litigation”).

B. (i) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years; (ii) pending proceedings initiated against our Company for economic offences; (iv) default and non-payment of statutory dues by our Company; (v) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company and Subsidiaries; or (vi) material frauds committed against our Company in the last five years.

C. (i) outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on November 28, 2015, determined that outstanding dues to creditors in excess of 5% of our Company’s consolidated trade payables as per last audited financial statements shall be considered as material dues (“Material Dues”). Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI Regulations have been disclosed on our website at <http://www.advancedenzymes.com/investors.aspx>

Our Company, Directors, Promoters and Group Companies are not Wilful Defaulters and there have been no violations of securities laws in the past or pending against them.

LITIGATION INVOLVING OUR COMPANY

A. LITIGATION AGAINST OUR COMPANY

1. Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

- a) In the year 2006, an order dated June 2, 2006 was passed against our Company by the Deputy Commissioner, Nashik Division (Food and Drugs Administration Department) for contravention of the provisions of Drugs and Cosmetic Act, 1940 pursuant to which the drug licence for our manufacturing plant at Sinnar was suspended for a period of 15 days from June 26, 2006 to July 10, 2006. The aforesaid order of suspension was issued to our Company inter-alia on the grounds that our Company had contravened provisions of Rule 78(a)(i), Rule 78(b) and Rule 78(p) of the Drugs and Cosmetics Rules, 1945 (“the Rules”) made under the Drugs and Cosmetics Act, 1940 read with Part I and Part I-F of Schedule M prescribed under the Rules. The violations inter-alia pertained

to (i) maintenance of the factory building in proper condition; (ii) provision of dedicated facilities to avoid cross-contamination; (iii) provision of adequate air conditioning in the storage areas; (iv) maintenance of a system for testing of water used in the production process; (v) storage of certain items without labeling the same; (vi) provision of air-lock facility in the formulation process etc. Further, in the year 2011, another order dated February 8, 2011 was passed by the same authority suspending the aforesaid licence for a period of 3 (three) days from March 9, 2011 to March 11, 2011. The aforesaid order of suspension was issued to our Company for violation of the Drugs and Cosmetics Rules, 1945 inter alia on the following grounds (i) failure to obtain the requisite license under the applicable laws relating to prevention of food adulteration and drugs & cosmetics for production of certain varieties of premix; (ii) failure to maintain control samples of the premix manufactured by the Company; (iii) provision of the premix to a third party without testing the same; and (iv) failure to follow good manufacturing practices. Due to such suspension, our Company's operations in the aforesaid unit had to be halted.

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

Direct tax Proceedings (consolidated)

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Million)
1.	Income Tax	9	170.97
Total		9	170.97

(ii) Indirect Taxes Liabilities

Indirect tax Proceedings (consolidated)

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Million)
1.	Excise Duty/ Service Tax	7	23.16
Total		7	23. 16

4. Other Pending Litigations

Nil

B. CASES FILED BY OUR COMPANY

1. Litigation Involving Criminal matters

- a) The Company has filed a criminal case bearing no. 1429 of 2012 (now bearing criminal case no. 9679/15) before the Court of the Judicial Magistrate, First Class at Thane against Ankur Drugs and Pharma Limited and four others ("Accused") under Section 138 and Section 141 of the Negotiable Instrument Act, 1881. The Company has alleged that the cheque tendered by the Accused to the Company towards payment of a sum of ₹ 2,44,701/- (Rupees Two Lac Forty Four Thousand Seven Hundred and One only) payable to the Company under a purchase order dated November 21, 2010 was dishonoured. The Company had issued a legal notice dated January 11, 2012 to the Accused calling upon them to pay the said amounts, however, no response was received. The Company has prayed, inter-alia, to issue process against the Accused under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 and that they be punished in accordance with law. Thereafter, the Company has again applied for re-issue of Non-Bailable Warrants against all the Directors of Ankur Drugs and Pharma Limited. The matter is currently pending.

- b) The Company has filed two criminal cases bearing nos. 4826 of 2012 (now bearing no. 4656/15) and 4827 of 2012 (now bearing no. 4657/15) before the Court of the Judicial Magistrate, First Class at Thane against Mission Vivacare Limited and four others (“Accused”) under Section 138 and Section 141 of the Negotiable Instrument Act, 1881. Mission Vivacare Limited had placed an order with the Company for supply of certain materials under Purchase Order dated March 25, 2011 for a consideration of ₹14,61,903/- (Rupees Fourteen Lac Sixty One Thousand Nine Hundred and Three only) out of which ₹ 2,00,000/- (Rupees Two Lac only) were paid by Mission Vivacare Limited to the Company on duly receiving the materials. Thereafter, the Accused had issued two separate cheques amounting to ₹ 6,00,000/- (Rupees Six Lac only) and ₹6,61,903/- (Rupees Six Lac Sixty One Thousand Nine Hundred and Three only) for the remaining consideration payable under the Purchase Order dated March 25, 2011. The aforesaid cheques tendered by the Accused were dishonoured. Subsequently, the Company had issued two legal notices on April 16, 2012 and April 18, 2012 to the Accused calling upon them to pay the said amounts, however, no response was received. Therefore, the Company filed the aforesaid complaint wherein it has been prayed, inter-alia, to issue process against the Accused under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881. On 25 July, 2014, affidavits in lieu of examination have been filed by the complainant in both the cases. The matter is currently pending.

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

Sr.No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Million)
1.	NIL	NIL	NIL
Total		NIL	NIL

NIL

(ii) Indirect Taxes Liabilities

Sr.No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Million)
1.	NIL	NIL	NIL
Total		NIL	NIL

NIL

4. Other Pending Litigations

- a) A Civil Writ Petition has been filed by the Company and our Promoter and Managing Director, Mr. Chandrakant Laxminarayan Rathi (“**the Petitioners**”), dated August 21, 2015, against Department of Scientific and Industrial Research (“**DSIR**”) (the “**Respondent**”) before High Court of Delhi at New Delhi under Articles 14, 21 and 226 of the Constitution of India inter alia praying that the Hon’ble Court issue a Writ/order in nature of Writ of Mandamus or any other Writ directing the Respondent (i) to treat Petitioner’s application dated January 9, 2002 as their initial application for approval under section 35(2AB) of the IT Act, for weighted deduction under the IT Act and issue Form no. 3CM (Pursuant to section 35(2AB) of the IT Act) to accept the required renewal application based on the renewal period of recognition upto March 31, 2006, March 31, 2009, March 31, 2012 (for Waggle Research Centre (“**WRC**”) from February 1, 2011) and March 31, 2016 (for New Thane Research Centre (“**NTRC**”) from October 1, 2012) and thereafter issue renewal of the approval on Form 3CM;(ii) to recognize the Petitioner’s in house R&D in the name of WRC from February 1, 2011 and NTRC from August 1, 2012. It is further prayed that

incase Respondent treats the addition of the WRC and NTRC R&D centres as a change in location, then to confirm that the recognition as granted by them vide their letter dated July 23, 2012 subsequently modified vide their letter dated January 15, 2014 is all effective from February 1, 2011 for WRC and from August 1, 2012 for NTRC. Vide order dated April 6, 2016, the aforesaid Civil Writ Petition dated August 21, 2015 was disposed off in pursuance of the Petitioners request for withdrawing the same and the Petitioners were granted liberty to file a fresh writ petition on the same cause of action. Accordingly, the Petitioners filed a fresh Civil Writ Petition dated April 21, 2016 against the Respondent on the same cause of action. The matter is currently pending.

LITIGATION INVOLVING OUR DIRECTORS

A. LITIGATION AGAINST OUR DIRECTORS

1. Criminal matters

M/s .RAD Data Communication Private Limited (“RAD”) has filed criminal proceedings as detailed below before the Metropolitan Magistrate, 58th Court, Bandra, Mumbai against ICOMM Tele Limited (“ICOMM”) under Section 138 of the Negotiable Instruments Act, 1881 for the dishonour of cheques. Mr. Kunisetty Venkata Ramakrishna , in his erstwhile capacity as an Independent director in ICOMM, has been named as party to the aforementioned criminal proceedings.

Sr. No.	Criminal Case No.	Cheque Bearing No.	Date of Cheque	Amount involved
1.	877/SS/2012	100298	October 31, 2012	₹ 9,411,795/-
2.	878/SS/2012	100340	October 31, 2011	₹ 418,302/-
3.	879/SS/2012	100342	December 27, 2011	₹ 418,302/-
4.	880/SS/2012	100297	September 30, 2011	₹ 9,411,795/-
5.	881/SS/2012	100299	November 30, 2011	₹ 9,411,795/-
6.	882/SS/2012	100300	December 27, 2011	₹ 9,411,750/-
7.	883/SS/2012	100341	November 30, 2011	₹ 418,302/-

ICOMM had filed Quash Petitions in Hon’ble Bombay High Court on August 17, 2012 for quashing all of the aforesaid criminal cases. Thereafter, ICOMM and RAD entered into a Memorandum of Understanding (“MoU”) in June 2013 for clearance of dues and the Quash Petitions were withdrawn. The Hon’ble Bombay High Court vide order dated July 11, 2013 inter alia directed that in the light of the MoU, the aforesaid said criminal cases be withdrawn, upon receipt of payment as per the terms stated in the MOU, and ICOMM pay ₹ 50,000/- to the High Court Legal Services Committee. Due to non-receipt of receivables, ICOMM could not honor the MoU and consequently the aforesaid criminal cases were not withdrawn. Subsequently, RAD has also filed 7 (seven) separate Contempt Petitions in respect of the aforesaid proceedings before Hon’ble Bombay High Court. The criminal cases as well as the contempt petitions are currently pending.

2. Litigation Involving Actions by Statutory/Regulatory Authorities

The Office of the Regional Director (Northern Region), Ministry of Corporate Affairs issued a show cause notice dated April 22, 2015 to our Promoter, Mr. Vasant Laxminarayan Rathi under section 266G of the Companies Act, 1956 for possessing multiple DINs, i.e. 01233447 and 01171026, in violation of the provisions of the section 266C of the Companies Act, 1956. While the show cause notice mentioned that Mr. Vasant Laxminarayan Rathi can file the compounding application and get the offence compounded during the period of the notice, our Company and Mr. Vasant Laxminarayan Rathi filed Form RD-1 and Form DIR-5, respectively, with the MCA on June 18, 2015, for cancellation/surrender of one of the aforesaid DINs, i.e. 01171026. Further, as represented by Mr. Vasant Laxminarayan Rathi in his affidavit filed in this regard, the aforesaid DIN had been inoperative from the date of allotment, and the said DIN had not been used by him before the MCA / any other authority, and he was also not holding the directorship with any company using that DIN.

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

Sr.No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Million)
1.	NIL	NIL	NIL
Total		NIL	NIL

NIL

(ii) Indirect Taxes Liabilities

Sr.No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Million)
1.	NIL	NIL	NIL
Total		NIL	NIL

NIL

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR DIRECTORS

1. Litigation Involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

Sr.No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Million)
1.	NIL	NIL	NIL
Total		NIL	NIL

NIL

(ii) Indirect Taxes Liabilities

Sr.No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Million)
1.	NIL	NIL	NIL
Total		NIL	NIL

NIL

4. Other Pending Litigations

- a) For details, please refer to “Outstanding Litigation and Material Developments – Litigations filed by our Company – Other Pending Litigations” on page 342.

LITIGATION INVOLVING OUR PROMOTERS

A. LITIGATION AGAINST OUR PROMOTERS

1. Litigation Involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL, except for the matter involving Mr. Vasant Laxminarayan Rathi as disclosed under “Outstanding Litigation and Material Developments – Litigations against our Directors – Litigation Involving Actions by Statutory/Regulatory Authorities” on page 343.

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Million)
1.	NIL	NIL	NIL
Total		NIL	NIL

NIL

(ii) Indirect Taxes Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Million)
1.	NIL	NIL	NIL
Total		NIL	NIL

NIL

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR PROMOTERS

1. Litigation Involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

Sr.No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Million)
1.	NIL	NIL	NIL
Total		NIL	NIL

(ii) Indirect Taxes Liabilities

Sr.No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Million)
1.	NIL	NIL	NIL
Total		NIL	NIL

4. Other Pending Litigations

- a) For details, please refer to “Outstanding Litigations and Material Developments – Litigations filed by our Company – Other Pending Litigations” on page 342.

LITIGATION INVOLVING OUR GROUP COMPANIES

A. LITIGATION AGAINST OUR GROUP COMPANIES

1. Litigation involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

Sr.No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded ₹ in Million)
1.	NIL	NIL	NIL
Total		NIL	NIL

(ii) Indirect Taxes Liabilities

Sr.No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Million)
1.	NIL	NIL	NIL
Total		NIL	NIL

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR GROUP COMPANIES

1. Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

Sr.No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Million)
1.	NIL	NIL	NIL
Total		NIL	NIL

(ii) Indirect Taxes Liabilities

Sr.No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Million)
1.	NIL	NIL	NIL
Total		NIL	NIL

NIL

4. Other Pending Litigations

NIL

Except as disclosed in this chapter, there are no outstanding criminal proceedings; actions by statutory or regulatory authorities; claims relating to direct and indirect taxes; or Material Litigation (as defined above), involving any of our Group Companies.

LITIGATION INVOLVING OUR SUBSIDIARIES

A. CASES FILED AGAINST OUR SUBSIDIARIES

1. Litigation Involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Million)
1.	NIL	NIL	NIL
Total		NIL	NIL

(ii) Indirect Taxes Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Million)
1.	NIL	NIL	NIL
Total		NIL	NIL

4. Other Pending Litigations

NIL

B. CASES FILED BY OUR SUBSIDIARIES

1. Litigation Involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

Sr.No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in Million)
1.	NIL	NIL	NIL
Total		NIL	NIL

(ii) Indirect Taxes Liabilities

Sr.No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in Million)
1.	NIL	NIL	NIL
Total		NIL	NIL

4. Other Pending Litigations

NIL

Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development, 2006

As of March 31, 2016, the principal amount remaining unpaid on a consolidated basis was ₹ 1.87 million. There were 7 cases of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development,

2006.

Material Creditors of the Company having amount outstanding as on March 31, 2016 more than ₹ 6.17 million, being 5% of the Company's consolidated trade payables as per last audited financial statements of our Company.

There are no trade payables more than 5% of the Company's consolidated trade payables as per the last audited financial statements as on March 31, 2016, other than Yash Industries, with an outstanding of ₹ 6.31 million, Sichuan Deebio Pharmaceutical Co., Ltd, with an outstanding of ₹ 12.60 million, and Schwabe North America, Inc., with an outstanding of ₹ 13.27 million which amount to 5.12%, 10.22% and 10.75% respectively of our consolidated trade payables as on March 31, 2016.

For further details, please see website at <http://www.advancedenzymes.com/investors.aspx>

Information provided on the website of our Company is not a part of this Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at its own risk.

Outstanding Litigations involving the Company, its subsidiaries, joint ventures, associates or involving any other person or company whose outcome may have a material adverse effect on the Company's consolidated results of operations or financial position.

Except as described above, as on date of this RHP, there are no outstanding litigations involving the Company, its subsidiaries, joint ventures, associates or involving any other person or company whose outcome may have a material adverse effect on the Company's consolidated results of operations or financial position.

There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 years.

Except as stated above under the section titled "Outstanding Litigation and Material Developments – Litigations against our Directors – Litigation Involving Actions by Statutory/Regulatory Authorities", there are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 years.

Pending proceedings initiated against our Company for economic offences.

There are no pending proceedings initiated against our Company for economic offences.

Inquiries, investigations etc. instituted under the Companies Act, 2013 or any previous companies enactment in the last 5 years against our Company or any of our Subsidiaries.

There are no inquiries, investigations etc. instituted under the Companies Act or any previous companies enactment in the last 5 years against our Company or any of our Subsidiaries.

Material Fraud against our Company in the last five years

There has been no material fraud committed against our Company in the last five years.

Fines imposed or compounding of offences for default

Except as disclosed below, there are no fines imposed or compounding of offences for default or outstanding defaults

- (a) By a Compounding Order dated March 31, 2011, the application for compounding made by our Company pertaining to the delay in submission of Form FC-GPR to the RBI pursuant to the bonus issues made on March 15, 2007 and March 18, 2010 was allowed. Our Company was required to pay an amount of ₹ 25,000 (Rupees Twenty Five Thousand only) as penalty for the same. The penalty has been duly paid by the Company.

- (b) By a Compounding Order dated March 30, 2011, the application for compounding made by our Company pertaining to the non-filing of Form FC-TRS with the RBI pursuant to the transfer of 35,000 Equity Shares from Mr. Vasant Laxminarayan Rathi to Mr. Dipak Roda, Mr. Mukund Madhusudan Kabra, Mr. Piyush Rathi, Dr. Anil Kumar Gupta and Mr. Beni Prasad Rauka on August 17, 2009 was allowed. Our Company was required to pay an amount of ₹ 25,000 (Rupees Twenty Five Thousand only) as penalty for the same. The penalty has been duly paid by the Company.

Non-Payment of Statutory Dues

Except as disclosed in the chapter titled “Financial Statements” beginning on page 230, there have been no defaults or outstanding defaults in the payment of statutory dues payable under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees State Insurance Act, 1948. For details of dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess, which have not been deposited as on March 31, 2016 on account of disputes, see “Summary Financial Information” beginning on page 58 and “Outstanding Litigation and Material Developments – Litigations involving our Company – Litigation filed against our Company – Tax liabilities” on page 341.

MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE

Except as disclosed elsewhere in this Red Herring Prospectus and stated below, there have been no material developments that have occurred after the last balance sheet date. For further details, please see the chapter titled “*Management Discussions and Analysis of Financial Conditions and Result of Operations*” beginning on page 315.

GOVERNMENT AND OTHER STATUTORY APPROVALS

In view of the approvals listed below, our Company can undertake this Offer. Except for pending approvals mentioned under this heading, our Company has received the necessary material consents, licenses, permissions and approvals from the Government and various Government agencies required for our present business and carrying on our business activities. It must be distinctly understood that, in granting these approvals, the Government of India, the Reserve Bank of India or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this RHP. The object clause and objects incidental to the main objects of the Memorandum of Association enable our Company to undertake its existing activities

A. APPROVALS FOR THE OFFER

The following approvals have been obtained or will be obtained in connection with the Offer:

1. Our Board of Directors has, pursuant to a resolution passed at its meeting held on July 24, 2015 authorized the Offer subject to the approval by the shareholders of our Company under Section 62 (1) (c) of the Companies Act, such other authorities as may be necessary.
2. The shareholders of our Company have approved this Offer under Section 62 (1) (c) of the Companies Act, vide a Special Resolution passed at our Company's Annual General Meeting held on September 1, 2015.
3. The Company had filed an application with the FIPB on February 6, 2016, seeking its approval for the proposed foreign investment in the Company by Foreign Institutional Investors / Non Resident Indians / Qualified Foreign Investors / Foreign Portfolio Investors / Alternative Investment Funds / Foreign Venture Capital Investors, pursuant to this Offer, in terms of the erstwhile existing FDI policy. The FIPB granted its approval vide its letter dated May 24, 2016 pursuant to which the Company requested the FIPB for certain clarifications in the same. However, in the interim period, the DIPP has issued Press Note 5 amending the FDI Policy, which, inter alia, provides that foreign investments in the pharmaceutical sector, in which the Company is engaged in, is now permitted up to 74% under the automatic route for brownfield investments, subject to compliance with certain conditions as stated therein. Consequently, based on the amendments to the FDI Policy introduced by Press Note 5, as on date, the Company does not require FIPB approval for foreign investment pursuant to this Offer as the aggregate foreign investment in the Company would be within the prescribed ceiling of 74%, and the Company undertakes to comply with all the conditions specified in the FDI Policy. In light of the above, the Company, has vide letter dated July 8, 2016, intimated the FIPB of the same and withdrawn the aforementioned application.
4. RBI approval for transfer of shares from certain NRI shareholders offering their shares in the Offer for Sale, to Non-resident investors applying in the Offer, dated June 7, 2016.
5. In-principle approval from the NSE dated February 11, 2016.
6. In-principle approval from the BSE dated February 29, 2016.

For details relating to letters/Board resolution from Selling Shareholders approving the Offer for Sale, please refer to the table on page 82 of the chapter titled "Capital Structure" beginning on page 82.

B. INCORPORATION DETAILS

1. Certificate of incorporation dated March 15, 1989 issued, by the RoC, to our Company upon incorporation as "Advanced Biochemicals Private Limited".

2. Fresh certificate of incorporation dated May 28, 1992 issued by the RoC to our Company upon conversion to a public limited company, with the name of the Company being “Advanced Biochemicals Limited”.
3. Fresh certificate of incorporation dated August 19, 2005 issued by the RoC to our Company consequent to the change of name of the Company to “Advanced Enzyme Technologies Limited”.

C. APPROVALS/LICENSES/PERMISSIONS RECEIVED TO CONDUCT OUR BUSINESS

The Company has been granted the following registrations/approvals/licenses: -

1. Permanent Account Number (PAN) – AABCA4555E;
2. Tax deduction Account Number (TAN) – PNEA05159A;
3. Importer Exporter Code – 0389050768;
4. Enrollment number with the Joint Director General of Foreign Trade – 03800579;
5. Central Sales Tax registration dated April 1, 2006 bearing Tax Payer Identification No. 277220299379 C;
6. Maharashtra Value Added Tax registration dated April 1, 2006 bearing Tax Payer Identification No. 277220299379 V;
7. Registration letter dated March 16, 1993 from the Employees State Insurance Corporation allotting the Company the code No. 31-25911-34;
8. Certificate of registration under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 dated June 25, 2013 bearing No. PT/R/1/2/12/4772;
9. Registration letter dated September 17, 1994 from the Office of the Regional Provident Fund Commissioner allotting the Company the code No. MH/95/64; and
10. Letter dated September 26, 2005 issued by the Employees Provident Fund Organization, Regional Office, Mumbai II, Thane bearing No. MH/99558/PF/APP/09A/3346 allotting a separate code being MH/99558 in continuation of the original code being MH/05164.
11. Letter of Kosher Certification dated August 31, 2015 by Rabbi Avrohom Teichman, Rabbinic Administrator bearing No.KC#201684-1 certifying Extractase IT a product certified by Kosher. The certificate is valid till August 30, 2016.

D. Specific registrations/approvals/licenses

Sr. No.	Property description	Activity carried on by the Company	Licenses and Approvals obtained	Date of expiry
1.	Premises at Offices Nos. 501 to 506 on the “Sun – Magnetica”, A- Wing, 5 th Floor, Near LIC Service Road, Naupada, Thane – 400 604	Registered Office	(i) Service Tax registration certificate dated January 20, 2009 bearing No. AABCA4555EST004.	NA
			(ii) Registration Certificate issued by the Inspector under the Mumbai Shops and Establishments Act, 1948 allotting Registration No. CE – 4925 dated April 6, 1990.	December 31, 2016
			(iii) Certificate of Registration for Local Body tax (LBT) bearing No. TMC-LBT-0019682-13 dated June 11, 2013.	NA

Sr. No.	Property description	Activity carried on by the Company	Licenses and Approvals obtained	Date of expiry
			(iv) Letter of Approval for Global Organic Textile Standard (GOTS) under CU Inspections & Certifications India Private Limited bearing no. N° GOTS-C 811294- 01.2015 dated November 24, 2015.	November 23, 2016
			(v) Certificate of Input Approval bearing no.814456INP-01-2016 dated June 1, 2016, having registration no. CU 814456, issued by Control Union Certifications, Mumbai.	May 26, 2017
2.	Premises at Unit No. 105 and 106 in Dhanlaxmi Service Industrial Estate situated at Gokul Nagar, Old Agra Road, Thane (West);	Meditation Centre	(i) Shops and Establishment license dated April 1, 2012.	March 31, 2017
3.	Premises at Plot No. A-61/62 in the Sinnar Industrial Area, within the village limits of Malegaon and outside the limits of Sinnar Municipal Council in rural area, Taluka and Registration Sub-district Sinnar, District and Registration District, Nashik	Manufacturing unit and Research and Development centre	(i) Central Excise Registration Certificate dated October 3, 2005 bearing No. AABCA4555EXM002;	NA
			(ii) Service Tax registration certificate dated April 12, 2007 bearing No. AABCA4555EST001;	NA
			(iii) Consent to Operate under the Water Act, Air Act and Hazardous Wastes Rules dated August 5, 2014 bearing No. 1.0/BO/AS(T)/NK-16652-14 & 16880-14/CC Cell/R&E/CC-7368 from the Maharashtra Pollution Control Board;	July 31, 2019
			(iv) Registration Certificate as a Health Bio-tech Unit dated October 20, 2004 bearing No. BT (Health Bio-Tech)/Registration/11/16/JDI/001/2288 from the Joint Director of Industries, Nashik;	NA
			(v) Clarification as a “Continuous Process Industry” dated September 3, 2007 issued by the Directorate of Industries, Mumbai;	NA
			(vi) Certificate of Good Manufacturing Practice dated June 23, 2016 bearing No. WHO-GMP/CERT/NKD/47037/2016/11/15506 for (a) Papain (b) Serratiopeptidase (c) Cellulase (d) Hemicellulase (e) Lactase(Powder/liquid);	December 24, 2016
			(vii) License to work a factory with effect from May 29, 2014 bearing no. 300/8-A;	December 31, 2023
			(viii) License to manufacture for sale drugs other than those specified in Schedule X dated January 20, 2012	December 31, 2016

Sr. No.	Property description	Activity carried on by the Company	Licenses and Approvals obtained	Date of expiry
			bearing No. 25 NKD/ 18 and 28 NKD/ 29;	
			(ix) ISO 9001:2008 Certificate of Registration bearing license no. QAIC/IN/ 11036 - A dated April 19, 2016;	February 4, 2017
			(x) Acknowledgment for filing of Memorandum expressing intention to set up a Manufacturing Enterprise bearing No. 1478/SIA/IMO/96 dated April 8, 1996 from the Secretariat of Industrial Approval;	NA
			(xi) Registration Certificate by Halal Committee, Jamiat Ulama-E-Maharashtra bearing No.09/07/0411/243/17/0516/139/1, dated June 7, 2016 and effective from May 19, 2016.	May 18, 2017
			(xii) Certificate of Input Approval bearing no.814456INP-01-2016 dated June 1, 2016, having registration no. CU 814456, issued by Control Union Certifications, Mumbai.	May 26, 2017
			(xiii) Registration Certificate under the Contract Labour (Regulation and Amendment) Act, 1970, dated January 22, 2015, bearing No.1620600710001633, as amended on February 4, 2016	December 31, 2016
			(xiv) Certificate of approval for export of 'enzymes' bearing No. VCS-01-020/2014 dated June 28, 2016, issued by the Export Inspection Agency, Mumbai.	May 20, 2018
			(xv) Certificate for renewal of recognition of in-house Research and Development Unit, dated July 4, 2016.	March 31, 2019
			(xvi) Certificate for the use of a boiler under Section 7, Boilers Act, 1923 bearing No. MR/12191 dated May 3, 2016 for a period beginning May 2, 2016;	May 1, 2017
4.	Survey No. 30, Mumbai Nashik Highway, Pali, Washind, Taluka - Shahapur, District - Thane	Manufacturing unit	(i) Central Excise Registration Certificate dated March 21, 2006 bearing No. AABCA4555EXM003;	NA
			(ii) Service Tax Registration Certificate dated June 10, 2008 bearing No. AABCA4555EST003;	NA
			(iii) Factory License;	December 31, 2018

Sr. No.	Property description	Activity carried on by the Company	Licenses and Approvals obtained	Date of expiry
			(iv) Consent to Operate under the Water Act, Air Act and Hazardous Wastes Rules dated May 4, 2012 bearing No. BO/JD PAMS/RO Kalyan/EIC NO KN-5767-12/R/CC-77 from Maharashtra Pollution Control Board;	January 31, 2017
5.	Plot No. B - 5 to 13, Dhar, Special Economic Zone, Pithampur, Indore, Madhya Pradesh.	Manufacturing unit	(i) Letter of Permission dated September 24, 2009 bearing No. 63/ISEZ/Proj/2005-2006/797 issued by the Development Commissioner, Indore Special Economic Zone;	NA
			(ii) Bond-cum-legal Undertaking for Special Economic Zone dated September 18, 2006 between the Company and the President of India (acting through the Development Commissioner, Indore Special Economic Zone and Specified Officer);	NA
			(iii) Letter dated April 18, 2013 bearing No. 63/ISEZ/Proj/2005-2006/130 issued by the Development Commissioner, Indore Special Economic Zone;	Five years w.e.f April 20, 2013
			(iv) Authorisation under Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 dated January 2, 2012;	5 years w.e.f December 1, 2011
			(v) Consent to Operate dated March 30, 2016 bearing No. MPPCB/DHR issued by Office of Superintending Engineer, Madhya Pradesh Pollution Control Board under the Water Act;	February 28, 2019
			(vi) Consent to Operate dated March 30, 2016 bearing No. MPPCB/DHR issued by Office of Superintending Engineer, Madhya Pradesh Pollution Control Board under the Air Act;	February 28, 2019
			(vii) Approval of the Building Plans dated July 4, 2007 bearing No. D-12/ISEZ/2007-2008/326 issued by Office of the Development Commissioner, Indore Special Economic Zone;	NA
			(viii) Water Supply agreement dated January 16, 2012 between the Company and the Executive Engineer, Madhya Pradesh Audyogik Kendra Vikas Nigam (Indore) Limited;	NA
			(ix) Permission for storage of Furnace Oil dated June 18, 2007 bearing No. A/P/CB/MP/15/84 (P198480);	NA

Sr. No.	Property description	Activity carried on by the Company	Licenses and Approvals obtained	Date of expiry
			(x) Central Sales Tax registration dated January 18, 2006 bearing No. 23711604343 issued by Sales Tax Officer;	NA
			(xi) Professional Tax registration dated January 24, 2006 bearing No. 78161602283 issued by the Professional Tax Officer;	NA
			(xii) License to work a factory dated November 23, 2015; Licence no. 05/D-12/ISEZ/399(Renewal);	December 31, 2016
			(xiii) Renewal Certificate dated April 21, 2013 of License No. 25/12/2008 and 28/10/2008 to manufacture for sale of drugs issued under by the Controller of Food and the Drugs Administration, Madhya Pradesh under the Drugs and Cosmetics Rules, 1945;	April 20, 2018
			(xiv) Registration dated February 18, 2008 with the Employees State Insurance Corporation bearing Code No. 18-15414-24;	NA
			(xv) Certificates of a Pharmaceutical Product dated March 29, 2016 bearing No. V/G/WHOGMP/1/2013/2309 for (a) Lactase – USP ; (b) Protease – IH; (c) Xylanase – IH; and (d) Cellulase – IH;	September 28, 2016
			(xvi) ISO 22000:2005 Certificate of Registration bearing license no. IP669 - FS dated March 10, 2016 for manufacture of enzymes for food and pharma applications;	March 13, 2019
			(xvii) License under Food Safety and Standards Act, 2006 bearing no. 11414990000185 dated March 10, 2014.	March 9, 2019
			(xviii) Registration Certificate under the Contract Labour (Regulation and Amendment) Act, 1970, bearing No. 01/ISEZ/RC/2007-08 as amended on May 30, 2016.	March 31, 2017
			(xix) Certificate of Verification bearing No. 9293 dated December 19, 2015 issued under Rule 13(3) of the Madhya Pradesh Legal Metrology (Enforcement) Rules, 2011;	December 19, 2016
6.	H-17, MIDC Area, Satpur, Nashik Industrial Estate, Nashik, Maharashtra – 422 007.	Manufacturing unit	(i) Central Excise Registration Certificate dated September 29, 2005 bearing No. AABCA4555EXM001;	NA
			(ii) Service Tax Registration Certificate dated September 20, 2005 bearing No.	NA

Sr. No.	Property description	Activity carried on by the Company	Licenses and Approvals obtained	Date of expiry
			AABCA4555EST002;	
			(iii) Consent to Operate under the Water Act, Air Act and Hazardous Wastes Rules dated August 26, 2014 bearing No. MPCB/RONK/CR/ 146/2145/2014 issued by the Maharashtra Pollution Control Board;	May 31, 2019
			(iv) Building Completion Certificate dated December 12, 1986 bearing No. DB/Nsk/2936 of 1986 issued by MIDC;	NA
			(v) License to manufacture for sale drugs other than those specified in Schedule X dated February 25, 2015 bearing No. NKD/51;	February 24, 2020
			(i) License to run a factory with effect from May 26, 2014 bearing no. 300-8/2- D;	December 31, 2023
8.	A-135, Road No. 23 and A-161, Heni Chemical Inds, Road No. 27, Wagle Estate, Opp. Hallmark Honda Services Centre, Thane (West) - 400604	Research and Development centre	(i) Consent to Operate under the Water Act, Air Act and Hazardous Wastes Rules dated January 8, 2015 bearing No.Format 1.0/ BO/ AS(T)/TN-5780-15/R/GEN/07271 (Granted to M./s Heni Chemical Industries.);	December 31, 2016
			(ii) Registration Certificate of Establishment under Maharashtra Shops and Establishments Act, 1948 bearing no.12612200000019670 dated January 3, 2013;	December 31, 2017
			(iii) Certificate for renewal of recognition of in-house Research and Development Unit, dated July 4, 2016.	March 31, 2019

E. Pending Approvals

The Company has applied for the following approvals and the same are pending registration/receipt:

1. Application, dated January 9, 2002, filed with Department of Scientific and Industrial Research for the grant of approval under Section 35(2AB) of the Income-tax Act, 1961;
2. Application, dated March 20, 2011, filed with Department of Scientific and Industrial Research for recognition of the premises located at A-161, Road No. 27, Wagle Industrial Estate, Thane (West).
3. Application, dated October 12, 2012, filed with Department of Scientific and Industrial Research for recognition of the premises located at A-135, Road No. 23, Wagle Industrial Estate, Thane (West);
4. Application in process for renewal of ISO 9001:2008 Certificate of Registration bearing license no. QAIC/IN/ 1273 - A dated July 1, 2015 (Marketing, Sales, Manufacturing (Outsourced) and Distribution of Innovative Enzyme Based Products) in respect of the Company's premises located at at Offices Nos. 501 to 506 on the "Sun – Magnetica", A-Wing, 5th Floor, Near LIC Service Road, Naupada, Thane – 400 604;

5. Application in process for renewal of ISO 9001:2008 Certificate of Registration bearing license no. QAIC/IN/ 1274 - A dated July 1, 2015 (Sales, Marketing and Distribution of Enzymes for Textile, Leather and Paper Industries) in respect of the Company's premises located at A-135, Road No. 23, Wagle Industrial Estate, Thane (West) – 400 604 and A-161, Heni Chemical Inds, Road No. 27, Wagle Estate, Opp. Hallmark Honda Services Centre, Thane (West) – 400604 and at Offices Nos. 501 to 506 on the “Sun – Magnetica”, A- Wing, 5th Floor, Near LIC Service Road, Naupada, Thane – 400 604
6. Application in process for renewal of ISO 9001:2008 Certificate of Registration bearing license no. QAIC/IN/ 1274 - A dated July 1, 2015 (Sales, Marketing and Distribution of Enzymes for Textile, Leather and Paper Industries) in respect of the Company's premises located at H-17, MIDC Area, Satpur, Nasik Industrial Estate, Nashik, Maharashtra – 422 007; and
7. Application dated June 5, 2016, filed before the Inspector of Legal Metrology for renewal of the certificate of Verification dated June 23, 2015 bearing receipt no. 113206 issued by the Weights and Measures Department;
8. Application in process for renewal of ISO 9001:2008 Certificate of Registration bearing license no. QAIC/IN/ 1272 - A dated July 1, 2015 (i. The Design and Development Services of Formulation for Onward Processing in Pharmaceutical, Healthcare, Food and Veterinary Supply Chain and ii. Provision of Technical Services such as Regulatory, Pharmacology and Intellectual Property Documentation) in respect of the Company's premises located at A-135, Road No. 23, Wagle Industrial Estate, Thane (West) – 400 604 and A-161, Heni Chemical Inds, Road No. 27, Wagle Estate, Opp. Hallmark Honda Services Centre, Thane (West) – 400604; and.
9. Application in process for renewal of ISO 9001:2008 Certificate of Registration bearing license no. QAIC/IN/ 1272 - A dated July 1, 2015 (i. The Design and Development Services of Formulation for Onward Processing in Pharmaceutical, Healthcare, Food and Veterinary Supply Chain and ii. Provision of Technical Services such as Regulatory, Pharmacology and Intellectual Property Documentation) in respect of the Company's premises located at H-17, MIDC Area, Satpur, Nasik Industrial Estate, Nashik, Maharashtra – 422 007.

The Company is in the process of applying for the following approvals:

1. Application to the DSIR for claiming deduction under Section 35(2AB) of the Income-Tax Act, 1961 in respect of its premises located at A-135, Road No. 23 and A-161, Heni Chemical Inds, Road No. 27, Wagle Estate, Opp. Hallmark Honda Services Centre, Thane (West) – 400604.
2. Application to the DSIR for claiming deduction under Section 35(2AB) of the Income-Tax Act, 1961 in respect of its premises located at Plot No. A-61/62 in the Sinnar Industrial Area.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorized by a resolution of the Board passed at their meeting held on July 24, 2015, subject to the approval of shareholders through a special resolution to be passed pursuant to section 62(1)(c) of the Companies Act, 2013.

The shareholders of our Company have approved this Offer under section 62(1)(c) of the Companies Act 2013 *vide* a Special Resolution passed at our Company's Annual General Meeting held on September 1, 2015.

The Offer for Sale has been authorized by the Selling Shareholders by way of their consent letters or board resolutions, as applicable as provided in the table below:

Sr.No.	Name of the Selling Shareholder	Maximum Number of Equity Shares Offered
Promoter Group Selling Shareholders		
1.	Chandrakant Rathi Innovations and Projects Private Limited	400,000
2.	Mr. Kishor Laxminarayan Rathi	50,000
3.	Mrs. Mangala Madhusudan Kabra	30,000
4.	Mr. Vasant Laxminarayan Rathi	1,700,000
5.	Vasant and Prabha Rathi Generation Trust	500,000
	TOTAL (A)	2,680,000
Investor Selling Shareholders		
1.	Kotak India Venture (Offshore) Fund	336,600
2.	Kotak India Venture Fund I	162,700
3.	Kotak Employees Investment Trust	17,900
	TOTAL (B)	517,200
Other Selling Shareholders-I		
1.	The List of Other Selling Shareholders-I has been provided in Annexure 'A'	447,270
	TOTAL (C)	
Other Selling Shareholders-II		
1.	Mr. Pradip Bhailal Shah	350,000
2.	Mr. Mukund Madhusudan Kabra	40,000
	TOTAL (D)	390,000
	TOTAL (A+B+C+D)	4,034,470

The Selling Shareholders have severally confirmed that they have held the Equity Shares proposed to be offered and sold in the Offer for more than one year prior to the date of filing of the DRHP and that it/they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by it/them under the Offer for Sale.

We have obtained approval from RBI dated June 7, 2016 for transfer of shares from certain NRI shareholders offering their shares in the Offer for Sale, to Non-resident investors applying in the Offer. The Company had filed an application with the FIPB on February 6, 2016, seeking its approval for the proposed foreign investment in the Company by Foreign Institutional Investors / Non Resident Indians / Qualified Foreign Investors / Foreign Portfolio Investors / Alternative Investment Funds / Foreign Venture Capital Investors, pursuant to this Offer, in terms of the erstwhile existing FDI policy. The FIPB granted its approval vide its letter dated May 24, 2016 pursuant to which the Company requested the FIPB for certain clarifications in the same. However, in the interim period, the DIPP has issued Press Note 5 amending the FDI Policy, which, inter alia, provides that foreign investments in the pharmaceutical sector, in which the Company is engaged in, is now permitted up to 74% under the automatic route for brownfield investments, subject to compliance with certain conditions as stated therein. Consequently, based on the amendments to the FDI Policy introduced by Press Note 5, as on date, the Company does not require FIPB approval for foreign investment pursuant to this Offer as the aggregate foreign investment in the Company would be within the prescribed ceiling of 74%, and the Company undertakes to comply with all the conditions specified in the FDI Policy. In light of the above, the Company, has vide letter dated July 8, 2016, intimated

the FIPB of the same and withdrawn the aforementioned application.

Prohibition by SEBI or Governmental Authorities

Our Company, our Directors, our Promoter, the Group Companies and companies or entities with which our Company's Directors are associated as Directors / Promoters / partners have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or Governmental Authority. The listing of any securities of our Company has never been refused at anytime by any of the Stock Exchange in India. There are no violations of securities laws committed by them in the past or are pending against them. None of the Directors are associated with any entities, which are engaged in securities market related business and are registered with SEBI for the same other than the following: -

- (i) Mr. Kedar Jagdish Desai (Non-executive and Independent Director on our Board) is also an independent director on the board of Axis Mutual Fund Trustee Limited, which is a registered entity with SEBI bearing SEBI Registration Code: MF/061/09/02;
- (ii) Mr. Kunisetty Venkata Ramakrishna (Non-executive and Non-Independent Director on our Board) is also an employee of Kotak Investment Advisors Limited. He is associated with "Kotak SEAF India Fund", "Kotak India Venture Fund I" and "Kotak India Growth Fund II", which are SEBI registered venture capital funds managed by Kotak Investment Advisors Limited; and
- (iii) Mr. Ramesh Thakorlal Mehta (Non-Executive and Independent Director) in his capacity as a Karta of the Ramesh Thakorlal Mehta HUF, is partner of Perfect Investment which is a SEBI registered entity bearing SEBI Registration Code: INS235499824/23-12220.

Prohibition of Wilful Defaulters

Neither our Company, nor our Promoters, relatives (as defined under the Companies Act, 2013) of our Promoters, Directors, nor our Group Companies are Wilful Defaulters. Each of the Selling Shareholder severally confirms that it/they have not been a Wilful Defaulter.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 26(1) of the SEBI Regulations as explained under, with the eligibility criteria calculated in accordance with Restated Financial Statements:

Our Company has net tangible assets of at least ₹ 30 Million in each of the preceding 3 full years (of 12 months each), of which not more than 50% are held as monetary assets.

Our Company has a minimum average pre-tax operating profit of ₹ 150 Million, calculated on a restated and consolidated basis, during the three most profitable years out of the immediately preceding five years.

Our Company has a Net Worth of at least ₹ 10 Million in each of the preceding 3 full years (of 12 months each).

Our Company shall ensure that the aggregate of the proposed Offer and all previous issues made in the same financial year in terms of Offer size is not expected to exceed five (5) times our pre-Offer net worth as per the restated balance sheet of the last financial year.

Our Company has not changed its name in the last one year.

Our Company's pre-tax operating profit, net worth, net tangible assets and monetary assets derived from its Consolidated Financial Information, as restated and Unconsolidated Financial Information, as restated for Fiscals 2016, 2015, 2014, 2013, and 2012 are set forth below:

(₹ in Million)

Particulars	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Consolidated Financial Information, as restated					
Net Tangible Assets	2,724.78	2,050.74	1,652.18	1,619.47	959.03
Monetary Assets	264.41	43.74	27.58	37.97	53.86
Monetary Assets as a Percentage of Net Tangible Assets	9.70	2.13	1.67	2.34	5.62
Pre- Tax Operating Profit	1,295.13	818.43	939.11	820.15	567.82
Average pre-tax operating profit of the three most profitable years		1,018.13			
Net Worth	2,787.27	2,100.34	1,663.65	1,619.64	959.66
Unconsolidated Financial Information, as restated					
Net Tangible Assets	1,685.94	1,512.09	1,367.65	1,292.15	814.96
Monetary Assets	16.63	9.91	19.49	20.20	34.31
Monetary Assets as a Percentage of Net Tangible Assets	0.99	0.66	1.42	1.56	4.21
Pre -Tax Operating Profit	296.01	260.64	310.15	324.12	251.76
Average pre-tax operating profit of the three most profitable years		310.09			
Net Worth	1,748.44	1,561.69	1,379.12	1,292.32	815.59

Notes:

- Net Tangible Assets is the sum of all net assets of the issuer, excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India, in accordance with Explanation (I) of Regulation 26 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
- Monetary assets represent the sum of current and non-current cash and bank balance.
- Net worth represents sum of share capital and reserves and surplus (capital reserve, securities premium, general reserve, foreign currency translation reserve and surplus in the Statement of profit and loss, as restated).
- Pre-Tax Operating Profit has been calculated as profit before tax excluding other income, finance costs and exceptional items.

Further, in accordance to Regulation 26(4) of the SEBI Regulations, if the number of allottees in the proposed Offer is less than 1,000 allottees, our Company shall forthwith refund the entire subscription amount received.

Our Company is in compliance with the following conditions specified in Regulation 4(2) of the SEBI Regulations to the extent applicable:

- Our Company, our Directors and the companies with which our Directors are associated as directors or promoters or persons in control have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI;
- Our Company has applied to the BSE and the NSE for obtaining their in-principle listing approval for listing of the Equity Shares under this Offer and has received the in-principle approvals from the BSE and the NSE pursuant to their letters dated February 29, 2016 and February 11, 2016, respectively. For the purposes of this Offer, the BSE shall be the Designated Stock Exchange;
- Our Company has entered into tripartite agreement dated June 6, 2013 with NSDL and Link Intime India Private Limited, for dematerialisation of the Equity Shares;

- d) Our Company has entered into tripartite agreement dated May 23, 2013 with CDSL and Link Intime India Private Limited, for dematerialisation of the Equity Shares; and
- e) The Equity Shares are fully paid and there are no partly paid-up Equity Shares as on the date of filing this Red Herring Prospectus.

Further, in compliance with Regulation 4 (5) of the SEBI Regulations, none of our Company, Promoters or Directors is a Wilful Defaulter, as on the date of this RHP.

Disclaimer Clauses

DISCLAIMER CLAUSE OF THE SEBI

AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, ICICI SECURITIES LIMITED AND AXIS CAPITAL LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS AND EACH OF THE SELLING SHAREHOLDERS ARE PRIMARILY RESPONSIBLE FOR ALL STATEMENTS IN THE DRAFT RED HERRING PROSPECTUS SPECIFICALLY CONFIRMED AND UNDERTAKEN BY EACH OF THEM IN RELATION TO EACH SELLING SHAREHOLDER IN CONNECTION WITH THE OFFER FOR SALE, AND THE EQUITY SHARES OFFERED BY SUCH SELLING SHAREHOLDER IN THE OFFER FOR SALE, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS HEREBY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS ICICI SECURITIES LIMITED AND AXIS CAPITAL LIMITED HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JANUARY 18, 2016 WHICH READS AS FOLLOWS:

WE, THE BOOK RUNNING LEAD MANAGERS TO THE ABOVE MENTIONED FORTHCOMING OFFER, STATE AND CONFIRM AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC. AND OTHER MATERIAL DOCUMENTS IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID OFFER.**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, IT'S DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS MENTIONED AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:**

- a) **THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THIS OFFER;**
 - b) **ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - c) **THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, AS AMENDED AND REPLACED BY THE COMPANIES ACT, 2013, TO THE EXTENT IN FORCE, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
 4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. – NOTED FOR COMPLIANCE.**
 5. **WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN, SHALL NOT BE DISPOSED/ SOLD/ TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS. – COMPLIED WITH**
 6. **WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS. – COMPLIED WITH AND NOTED FOR COMPLIANCE**
 7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE SECURITIES AND EXCHANGE BOARD OF INDIA. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER. NOT APPLICABLE.**
 8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE**

VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. – COMPLIED WITH TO THE EXTENT APPLICABLE

9. WE CONFIRM THAT NECESSARY ARRANGEMENTS SHALL BE MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE SHALL ENSURE THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE. ALL MONIES RECEIVED OUT OF THE OFFER SHALL BE CREDITED/TRANSFERRED TO A SEPARATE BANK ACCOUNT AS REFERRED TO IN SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013.
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE ALLOTTED SHARES IN THE DEMAT OR PHYSICAL MODE ONLY. NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE OFFER HAVE TO BE ISSUED IN DEMATERIALISED FORM ONLY.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:
 - a. AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY AND
 - b. AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE SEBI FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE OFFER. - NOTED FOR COMPLIANCE.
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA THROUGH CIRCULAR.
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. - COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING

STANDARD 18, AS CERTIFIED BY M. M. NISSIM & CO., CHARTERED ACCOUNTANTS (FIRM REGISTRATION NO. 107122W) PURSUANT TO THEIR CERTIFICATE DATED JANUARY 14, 2016.

18. WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THESE REGULATIONS. (IF APPLICABLE). - NOT APPLICABLE

The filing of this RHP does not, however, absolve the Company and the Selling Shareholders from any liabilities under Section 34 and Section 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed Offer. SEBI further reserves the right to take up, at any point of time, with the BRLMs, any irregularities or lapses in this RHP. Each of the Selling Shareholders (except Promoter Group Selling Shareholders) accepts responsibility severally and not jointly only for statements, made expressly by it in this Red Herring Prospectus in relation to itself in connection with the Offer for Sale and the Equity Shares offered by it in the Offer for Sale. Each Selling Shareholder (except Promoter Group Selling Shareholders) assumes no responsibility for any other statement, including, inter-alia, any of the statements made by or in relation to the Company, other Selling Shareholders or their respective businesses in this Red Herring Prospectus. Each Promoter Group Selling Shareholder accepts responsibility severally and not jointly for statements, made expressly by it in this Red Herring Prospectus in relation to itself in connection with the Offer for Sale and the Equity Shares offered by it in the Offer for Sale or in connection with the Offer (including but not limited to any of the statements made by or relating to the Company in this Red Herring Prospectus), and does not accept responsibility for any statements made by the Investor Selling Shareholders and the Other Selling Shareholders.

All legal requirements pertaining to the Offer will be complied with at the time of filing of this Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30 and 32 of the Companies Act, 2013.

The price information of past issues handled by the BRLMs is as follows:

- (a) The price information of past issues handled by I-Sec is as follows:

TABLE 1

Sr. No.	Issue Name	Issue Size (Rs. Mn.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, +/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, +/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, +/- % change in closing benchmark]- 180 th calendar days from listing
1	Wonderla Holidays Limited	1,812.50	125.00	09-May-14	160.00	+72.92%, [+11.60%]	+78.96%, [+11.86%]	+162.32%, [+21.57%]
2	Shemaroo Entertainment Limited	1,200.00	170.00 ⁽¹⁾	01-Oct-14	180.00	-5.74%, [+2.81%]	-5.88%, [+3.79%]	+5.85%, [+6.88%]
3	VRL Logistics Limited	4,678.78	205.00	30-Apr-15	288.00	+50.90%, [+3.08%]	+85.49%, [+1.90%]	+100.90%, [+0.97%]
4	PNC Infratech Limited	4,884.41	378.00	26-May-15	387.00	+0.32%, [+0.26%]	+14.66%, [-6.36%]	+42.72%, [-5.88%]
5	Manpasand Beverages Limited	4,000.00	320.00	09-Jul-15	300.00	+23.20%, [+2.83%]	+36.53%, [-2.11%]	+58.34%, [-6.45%]
6	Sadbhav Infrastructure Project Limited	4,916.57	103.00	16-Sep-15	111.00	-2.28%, [+3.55%]	-5.63, [-3.15]	-14.56%, [-4.56%]
7	Teamlease Services Limited	4,236.77	850.00	12-Feb-16	860.00	+15.34%, [+7.99%]	+5.38, [+12.43]	-
8	Quick Heal Technologies Limited	4,512.53	321.00	18-Feb-16	305.00	-31.56%, [+5.74%]	-20.05%, [+9.72%]	-
9	Equitas Holdings Limited	21,766.85	110.00	21-Apr-16	145.10	+34.95%, [-1.63%]	-	-

10	Thyrocare Technologies Limited	4,792.14	446.00	09-May-16	665.00	+36.85%, [+5.09%]	-	-
11	Ujjivan Financial Services Limited	8,824.96	210.00	10-May-16	231.90	+72.38%, [+4.88%]	-	-

(1) Discount of Rs. 17 per equity share offered to retail investors. All calculations are based on Issue Price of Rs. 170.00 per equity share

Notes:

1. All data sourced from www.nseindia.com
2. Benchmark index considered is NIFTY
3. 30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the next trading day

TABLE 2: SUMMARY STATEMENT OF DISCLOSURE

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Mn.)	No. of IPOs trading at discount - 30 th calendar days from listing			No. of IPOs trading at premium - 30 th calendar days from listing			No. of IPOs trading at discount - 180 th calendar days from listing			No. of IPOs trading at premium - 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2016-17	3	35,383.95	-	-	-	1	2	-	-	-	-	-	-	-
2015-16	6	27,229.06	-	1	1	1	-	3	-	-	1	2	1	-
2014-15	2	3,012.50	-	-	1	1	-	-	-	-	-	1	-	1

(b) The price information of past issues handled by Axis Capital is as follows:

1. Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Axis Capital Limited.

Sr. No.	Issue name	Issue size (₹ millions)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Ujjivan Financial Services Limited	8,824.96 ¹	210	10-May-16	231.90	+72.38%, [+4.88%]	-	-
2	Equitas Holdings Limited	21,766.85	110	21-Apr-16	145.10	+34.64%, [-2.05%]	-	-
3	Narayana Hrudayalaya Limited	6,130.82	250	06-Jan-16	291.00	+28.76%, [-4.35%]	+15.86%, [+0.23%]	+25.56%, [+8.13%]
4	Alkem Laboratories Limited ²	13,477.64	1050	23-Dec-15	1380.00	+30.34%, [-7.49%]	+28.60%, [-2.06%]	+31.91%, [4.74%]
5	Coffee Day Enterprises Ltd	11,500.00	328	02-Nov-15	317.00	-21.42%, [-1.19%]	-20.76%, [-6.15%]	-20.98%, [-2.50%]
6	Pennar Engineered Building Systems Limited	1561.90	178	10-Sept-15	177.95	-5.93%, [+5.16%]	-11.26%, [-1.11%]	-17.39%, [-3.89%]
7	Navkar Corporation Limited	6,000.00	155	9-Sept-15	152.00	+0.97%, [+3.97%]	+26.00%, [-0.68%]	+6.29%, [-4.26%]
8	Syngene International	5,500.00	250	11-Aug-15	295.00	+36.00%, [-7.61%]	+44.90%, [-6.47%]	+57.20%, [-12.70%]

	Limited							
9	UFOMoviez India Limited	6000.00	625	14-May-15	600.00	-11.68%,-2.93%	-3.18%,+2.90%	-18.27%,-3.76%
10	Inox Wind Limited ³	10,205.30	325	9-Apr-15	400.00	+28.54%,-6.68%	+42.42%,-3.05%	+11.20%,-7.51%

Source: www.nseindia.com

¹Company has undertaken a Pre-Ipo Placement aggregating to ₹2,918.39 Million. The size of the fresh issue as disclosed in the draft red herring prospectus dated December 31, 2015, being ₹6,500 Million, has been reduced accordingly.

²Price for eligible employees was ₹ 950.00 per equity share

³Price for retail individual bidders and eligible employees was ₹ 310.00 per equity share

Notes:

- The CNX NIFTY is considered as the Benchmark Index.
- Price on NSE is considered for all of the above calculations.
- In case 30th/90th/180th day is not a trading day, closing price on NSE of the next trading day has been considered.
- Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

2. Summary statement of price information of past issues(during current financial year and two financial years preceding the current financial year) handled by Axis Capital Limited

Financial Year	Total no. of IPOs	Total funds raised (₹ in Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2016-2017*	2	30,591.81	-	-	-	1	1	-	-	-	-	-	-	-
2015-2016	8	60,375.66	0	0	3	0	4	1	0	0	3	1	2	2
2014-2015	1	3,504.30	0	1	0	0	0	0	0	0	1	0	0	0

* The information is as on the date of the document

The information for each of the financial years is based on issues listed during such financial year.

Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

Track record of past issues handled by the BRLMs

For details regarding the track record of the Managers, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to the websites of the BRLMs, as set forth in the table below:

Sr. No.	Name of the Manager	Website
1.	ICICI Securities Limited	www.icicisecurities.com
2.	Axis Capital Limited	www.axiscapital.co.in

For details regarding the track record of the BRLMs to the Offer as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please refer to the websites of the BRLMs www.icicisecurities.com and www.axiscapital.co.in.

Disclaimer from the Company, Directors, the Promoter Group Selling Shareholders, Investor Selling Shareholders and the Book Running Lead Managers.

Bidders may note that our Company, the Directors, the Promoter Group Selling Shareholders, Investor Selling Shareholders and the BRLMs accept no responsibility for statements made otherwise than in this RHP or in the advertisement or any other material issued by or at the instance of the Company and that any one, placing reliance on any other source of information including our Company's website, www.advancedenzymes.com, would be doing so at his own risk.

Each Selling Shareholder (except the Promoter Group Selling Shareholders) assumes responsibility severally only for statements in this Red Herring Prospectus specifically in relation to itself as a Selling Shareholder and the Equity Shares being offered by it through the Offer for Sale.

The Selling Shareholders (except the Promoter Group Selling Shareholders) do not assume any responsibility for any other statement in this Red Herring Prospectus, including without limitation, any and all of the statements made by or relating to the Company or its business.

Each Promoter Group Selling Shareholder accepts responsibility severally and not jointly for statements, made expressly by it in this Red Herring Prospectus in relation to itself in connection with the Offer for Sale and the Equity Shares offered by it in the Offer for Sale or in connection with the Offer (including but not limited to any of the statements made by or relating to the Company in this Red Herring Prospectus), and does not accept responsibility for any statements made by the Investor Selling Shareholders and the Other Selling Shareholders.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information will be made available by the Book Running Lead Managers, Underwriters, Syndicate members and our Company to the public and bidders at large and no selective or additional information would be available for any section of the bidders in any manner whatsoever including at road shows, presentations, in research or sales reports etc. We shall not be liable to the Bidders for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Our Company, Selling Shareholders, the Book Running Lead Managers or any other member of the Syndicate shall not be liable to the Bidders for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

Caution

Bidders that bid in this Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approval to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approval to acquire Equity Shares. Our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives and the Selling Shareholders accept no responsibility or liability for advising any bidders on whether such bidder is eligible to acquire Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorized under their constitution to hold and invest in shares) and to eligible non-residents, including NRIs, FIIs, FPIs and FVCIs. This RHP does not, however, constitute an invitation to subscribe to shares issued hereby in any other jurisdiction to any person to whom it is unlawful to make an Offer or invitation in such jurisdiction. Any person into whose possession this RHP comes is required to inform himself or herself about, and to observe any such restrictions. Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai, India only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the DRHP was submitted to SEBI for its observations and SEBI has given its observation.

Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this RHP may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this RHP nor any sale hereunder shall under any circumstances create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and applicable laws of the jurisdictions where such offers and sales occur.

Disclaimer Clause of the BSE Limited

“BSE Limited (“the Exchange”) has given vide its letter dated February 29, 2016, permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner: -

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

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

Disclaimer Clause of the NSE

“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 bearing Ref.: NSE/LIST/60896 dated February 11, 2016 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.”

Filing

A copy of the DRHP has been filed with the Securities Exchange Board of India at Corporation Finance Department, SEBI Bhavan, Plot No. C4-A, G Block, 3rd Floor, Bandra Kurla Complex, Bandra (E), Mumbai 400 051, India.

A copy of this Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013, has been delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act would be delivered for registration with RoC at the office of the Registrar of Companies, 100, Everest, Marine Drive, Mumbai- 400002.

Listing

Application will be made to the BSE Limited and the NSE for permission to deal in and for an official quotation of our Equity Shares. Our existing Equity Shares are not listed on any Stock Exchanges in India.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by any of the Stock Exchanges, our Company and the Selling Shareholders shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Red Herring Prospectus. If such money is not repaid within the prescribed time, then our Company, the Selling Shareholders and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

Our Company and the Selling Shareholders shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges mentioned above are taken within 6 (six) Working Days of the Bid/Offer Closing Date. Further, the Selling Shareholders confirm that they shall provide assistance to our Company and, the BRLMs, as may be reasonably required and necessary, for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within 6 (six) Working Days of the Bid/Offer Closing Date.

If our Company does not Allot Equity Shares pursuant to the Offer within 6 (six) Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

The Selling Shareholders confirm that they shall reimburse our Company for any interest payments made by our Company on behalf of the Selling Shareholders in this regard. Subject to applicable law, no Investor Selling Shareholder shall be responsible for paying any interest or any other expenses in case the delay in refund of monies to Bidders is not directly due to any failure or delay by such Investor Selling Shareholder.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

“Any person who:

- a) makes or abets making of and application in a fictitious name, to a company for acquiring or subscribing for, its securities; or**
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,**

shall be liable for action under Section 447..”

Consents

Necessary consents for the Offer have been/will be obtained from the following:

1. Our Directors;
2. the Company Secretary;
3. the Compliance Officer;
4. the Statutory Auditors;
5. the BRLMs;
6. the Syndicate Members who are intermediaries registered with SEBI or registered as brokers with the Stock Exchanges and eligible to act as Underwriters;
7. the Registrar to the Offer;
8. Bankers to the Offer; and
9. the Selling Shareholders.

The said consents would be filed along with a copy of this Red Herring Prospectus with the Registrar of Companies, Mumbai, as required under the Companies Act, 2013 and such consents have not been withdrawn upto the time of delivery of this Red Herring Prospectus, for registration with the Registrar of Companies, Mumbai.

Experts

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

Our Company has received written consent from the Auditor, who holds a valid peer review certificate, to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this RHP and as an “expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the examination reports dated June 29, 2016 and June 29, 2016 of the Auditors on the Unconsolidated Financial Information, as restated, of our Company and Consolidated Financial Information, as restated of our Group respectively, as of and for Fiscals ended March 31, 2016, 2015, 2014, 2013, and 2012, and the statement of tax benefits dated June 29, 2016, included in this RHP and such consents have not been withdrawn as on the date of this RHP.

Offer Related Expenses

The expenses of this Offer include, among others, underwriting and management fees, selling commissions, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. For further details of Offer expenses, see the chapter titled “Objects of the Offer” on page 117.

The Offer expenses will be shared between our Company and each Selling Shareholder on a pro-rata basis in proportion of the Equity Shares contributed by each of them in the Offer, provided that the listing fees and expenses relating to the legal counsel of the Company and that of the BRLMs will be borne solely by the Company and expenses relating to the legal counsel to the Selling Shareholders will be borne solely by the Selling Shareholders

Previous Public or Rights Issues in the last 5 years

Our Company has not made any public or rights issue in the last 5 years.

However, our Company had previously filed a draft red herring prospectus dated March 28, 2013 with SEBI in relation to a proposed initial public offering of equity shares and had received the final observations from SEBI on September 12, 2013. However, our Company did not proceed with the aforesaid initial public offering of equity shares at that point of time after receiving SEBI approval.

Previous Issue of Shares otherwise than for Cash

Our Company has not issued any Equity Shares for consideration other than cash except as mentioned in the chapter titled “Capital Structure” beginning on page 82 of this RHP.

Commission or Brokerage on Previous Issues

There has been no public issue of the Equity Shares in the past. Thus, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares of our Company since inception.

Details of capital issue made during last three years in regard by the Company and other listed group companies/subsidiaries

There have been no capital issue by any of our Group Companies/Subsidiaries during last 3 years. There are no other listed Group Companies, except as disclosed in the chapter titled “Group Companies” beginning on page 221 of this RHP.

Promise vis-à-vis Performance – Last 3 issues

Our Company has not made any public issue in the past.

Performance vis-à-vis objects – Public/ rights issue of our Company and/ or listed Group Companies and Subsidiaries of our Company

None of our Company, Group Companies or Subsidiaries have undertaken any previous public issues or right issues in the last ten years preceding the date of the DRHP.

Partly Paid-up Shares

The Company does not have any partly paid-up Equity Shares as on the date of this RHP.

Outstanding Debentures or Bonds or Redeemable Preference shares

There are no outstanding debentures or bonds or redeemable preference shares and other instruments outstanding as on the date of filing of this RHP.

Stock Market Data

This being an initial public offering of our Company, the Equity Shares of our Company are not listed on any stock exchange.

Mechanism for redressal of Investors’ grievance

The agreement between the Registrar to the Offer, our Company and the Selling Shareholders will provide for retention of records with the Registrar to the Offer for a period of at least three years from the last date of dispatch of letters of allotment, demat credit to enable the bidders to approach the Registrar to the Offer for redressal of their grievances.

All grievances relating to the Offer may be addressed to the Registrar to the Offer, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant SCSB and the Syndicate Members at the Specified Locations or the Registered Broker or the RTA or the DP with whom the Bid cum Application Form was submitted. In addition to the information indicated above, the ASBA Bidder should also specify the Designated Branch or the collection centre of the SCSB or the address of the centre of the Syndicate Member at the Specified Locations or the Registered Broker at the Broker Centre or address of the RTA or the address of the DP, as the case may be, where the Bid cum Application Form was submitted by the ASBA Bidder.

Further, with respect to the Bid cum Application Forms submitted with the Registered Brokers, the bidder shall also enclose the acknowledgment from the Registered Broker in addition to the documents/information mentioned hereinabove.

Disposal of Investors' Grievances and Redressal Mechanism

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSB in case of Bidders applying through ASBA process for the redressal of routine investor grievances shall be 7 (seven) Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have appointed Mr. Prabal Bordiya as our Compliance Officer and he may be contacted in case of any pre Offer/post Offer related problems at the following address:

Advanced Enzyme Technologies Limited
Sun Magnetica, 5th Floor,
Near LIC Service Road,
Louis Wadi, Thane
Maharashtra - 400 604
Tel No: + 91-22-4170 3200
Fax No: + 91-22-2583 5159
Email: prabal@advancedenzymes.com
Website: www.advancedenzymes.com

Our Company has not received any investor complaints during the three years preceding the filing of the DRHP with SEBI. Further, no investor complaints were pending as on the date of filing the DRHP with SEBI.

Changes in the Auditors during the last three years and reasons thereof

There has been no change in the Auditors of our Company, during the last 3 (three) years.

Capitalization of Reserves or Profits during last five years

Except as stated in the chapter titled "Capital Structure" beginning on page 82 of this RHP, our Company has not capitalised its reserves or profits at any time since inception.

Revaluation of Assets during the last five years

There has not been any revaluation of assets during the last five years.

SECTION VIII –OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI Regulations, SCRA, SCRR, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, this Red Herring Prospectus, the Prospectus, the abridged prospectus, any addendum/corrigendum thereto, Bid-cum-Application Form, the Revision Form, the Confirmation of Allocation Note, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the FIPB, the Stock Exchanges, the RBI, the RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

Ranking of Equity Shares

The Equity Shares being offered and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividend. The Allottees will be entitled to dividend, voting rights or any other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to chapter titled “Main Provisions of Articles of Association” beginning on page 435 of this RHP.

Mode of Payment of Dividend

We shall pay dividends, if declared, to our Shareholders, in accordance with the provisions of the Companies Act, Memorandum of Association, and Articles of Association and provisions of the Listing Agreement to be entered into with the Stock Exchanges. The declaration and payment of dividends will be recommended by our Board of Directors and our shareholders, in their discretion, and will depend on a number of factors, including but not limited to our earnings, capital requirements and overall financial condition. We shall pay dividends in cash. For further details in relation to dividends, please see the chapters titled “Dividend Policy” and “Main Provisions of Articles of Association” beginning on pages 229 and 435, respectively of this RHP.

Face Value and Offer Price per Share

The face value of the Equity Shares is ₹ 10 each. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share. The Offer Price is [●] times the face value of the Equity Shares. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

The Price Band, Offer Price and the minimum Bid Lot size for the Offer will be decided by our Company in consultation with the Selling Shareholders and the BRLMs on the basis of assessment of market demand for the Equity Shares offered by way of Book Building and advertised in all editions of the English national newspaper, Financial Express, all editions of the Hindi national newspaper, Jansatta and Mumbai edition of Marathi newspaper, Navshakti, with wide circulation, (Marathi being the regional language of Maharashtra, the state where our Registered office is located) and made available on the websites of the Stock Exchanges, atleast 5 (five) Working Days prior to the Bid/Offer Opening Date. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges.

Compliance with the SEBI Regulations

Our Company shall comply with all the disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, the terms of the listing agreements with the Stock Exchange(s) and the Memorandum and Articles of Association our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to chapter titled “Main Provisions of Articles of Association” beginning on page 435 of this RHP.

Market Lot and Trading Lot

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the existing SEBI Regulations, the trading in the Equity Shares shall only be in dematerialised form for all Bidders. In this context, 2 (two) agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated June 6, 2013 among NSDL, our Company and the Link Intime India Private Limited; and
- Agreement dated May 23, 2013 among CDSL, our Company and the Registrar to the Offer.

Since trading of our Equity Shares is in dematerialised form, the tradable lot is 1 (one) Equity Share. Allocation and Allotment through this Offer will be done only in electronic form in multiples of one subject to (i) a minimum Allotment of [●] Equity Shares.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-owners with benefits of survivorship.

Jurisdiction

Exclusive jurisdiction for the purpose of this Offer is with the competent courts/authorities in Mumbai, Maharashtra, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933 (“Securities Act”) and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

Nomination Facility to Bidders

In accordance with Section 72 of the Companies Act, 2013, the sole or first Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall, be entitled to the same advantages to which he or she would be

entitled if he or she were the registered holder of the equity share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the Registrar. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, our Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective depository participant.

Period of operation of subscription list

For details, please see the section titled “Offer Structure – Bid/Offer Programme” on page 382 of the chapter titled “Offer Structure” beginning on page 378 of this RHP.

Minimum Subscription

If our Company does not receive (i) the minimum subscription of 90% of the Fresh Issue; and (ii) a subscription in the Offer equivalent to the minimum number of securities as specified under Rule 19(2)(b)(ii) of the SCRR, including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the Offer, our Company shall forthwith refund the entire subscription amount received, no later than 70 days from the closure of the Offer in accordance with Regulation 14 of the SEBI Regulations. If there is a delay beyond the prescribed period, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law.

The requirement for minimum subscription is not applicable to the Offer for Sale. In case of under-subscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

Further, in accordance with Regulation 26(4) of the SEBI Regulations, we shall ensure that the number of prospective Allottees to whom the Equity Shares will be allotted will be not less than 1,000 otherwise, the entire application money will be refunded forthwith. If there is a delay beyond 6 (six) working days after we become liable to pay the amount, we shall pay interest at the rate of 15% per annum for the delayed period.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for (a) the lock-in of the pre-Offer capital of our Company and the Promoters’ minimum Contribution and the Anchor Investor lock-in as provided in “Capital Structure” on pages 92, 91 and 92, respectively and (b) otherwise provided in our Articles of Association, as described in the chapter titled “Main Provisions of the Articles of Association” beginning

on page 435, there are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting.

Retail Discount

The Retail Discount, if any, will be offered to Retail Individual Bidders at the time of making a bid. Retail Individual Bidders bidding at a price within the Price Band can make payment at the Bid Amount, at the time of making a Bid. Retail Individual Bidders bidding at the Cut-Off Price have to ensure payment at the Cap Price at the time of making a Bid. Retail Individual Bidders must ensure that the Bid Amount does not exceed ₹ 200,000. Retail Individual Bidders must mention the Bid Amount while filling the Bid cum Application Form.

Employee Discount

The Employee Discount, if any, will be offered to Eligible Employees at the time of making a Bid. Eligible Employees bidding at a price within the Price Band can make payment at the Bid Amount, at the time of making a Bid. Eligible Employees bidding at the Cut-Off Price have to ensure payment at the Cap Price at the time of making a Bid. Eligible Employees must ensure that the Bid Amount does not exceed ₹ 200,000. Eligible Employees must mention the Bid Amount while filling the Bid cum Application Form.

Option to Receive Securities in Dematerialized Form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares being offered through this Red Herring Prospectus can be applied for and will be allotted in dematerialized form only. Bidders will not have the option of Allotment of the Equity Shares in physical form. Further, as per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges.

OFFER STRUCTURE

Offer comprising of upto [●] Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating upto ₹ [●] million comprising of a Fresh Issue of upto [●] Equity Shares aggregating upto ₹ 500 million by our Company and Offer for Sale of upto 4,034,470 Equity Shares aggregating upto ₹ [●] million by the Selling Shareholders. The Offer comprises of a Net Offer of [●] Equity Shares to Public and a reservation of [●] Equity Shares for subscription by Eligible Employees aggregating upto ₹ 20 million. The Offer will constitute [●]% of the post-Offer paid-up Equity Share capital of our Company and the Net Offer will constitute [●]% of the post-Offer paid-up Equity Share capital of our Company. The Offer is being made through the Book Building Process.

Particulars	Eligible Employees	QIBs	Non Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for allocation/ Allotment # (*)	Upto [●] Equity Shares.	[●] Equity Shares or Net Offer less allocation to Non Institutional Bidders and Retail Individual Bidders.	Not less than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Retail Individual Bidders.	Not less than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Non Institutional Bidders.
Percentage of Offer Size available for allocation/ Allotment	Upto [●]% Offer Size. The Employee Reservation Portion comprises approximately [●]% of our Company's post Offer paid-up Equity Share capital.	50% of the Net Offer shall be available for allocation to QIBs. However, upto 5% of the Net QIB Portion shall be available for allocation proportionately to Mutual Funds only. Upto 60% of the QIB Portion may be available for allocation to Anchor Investors and one-third of the Anchor Investor Portion shall be available for allocation to domestic Mutual Funds only.*	Not less than 15% of the Net Offer	Not less than 35% of the Net Offer.
Basis of allocation/Allotment if respective category is oversubscribed (*)	Proportionate	Proportionate as follows: a) [●] Equity Shares constituting 5% of the Net QIB Portion, shall be available for allocation on a proportionate basis to Mutual Funds; (b) [●] Equity Shares shall be allotted on a proportionate basis to all QIBs (except to Anchor Investors), including Mutual Funds receiving allocation as per (a) above.	Proportionate	On a proportionate basis subject to Minimum Lot as explained in the section titled "Offer Procedure – Part B – General Information Document for Investing in Public Offers –Allotment Procedure and Basis of Allotment" on page 424.

Minimum Bid	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.	Such number of Equity Shares and in multiples of [●] Equity Shares thereafter after such that the Bid Amount exceeds ₹ 2,00,000.	Such number of Equity Shares that the Bid Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares net of Retail Discount and in multiples of [●] Equity Shares thereafter.
Maximum Bid	Such number of Equity Shares in multiples of [●] equity shares so as to ensure that the Bid Amount does not exceed ₹ 2,00,000.	Such number of Equity Shares not exceeding the size of the Net Offer, subject to the regulations as applicable to the Bidder.	Such number of Equity Shares not exceeding the size of the Net Offer, subject to the regulations as applicable to the Bidder.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid amount does not exceed ₹ 2,00,000.
Mode of Allotment	Compulsorily Dematerialized mode	Compulsorily Dematerialized mode	Compulsorily Dematerialized mode	Compulsorily Dematerialized mode
Bid Lot	[●] Equity Shares and in multiples thereof.	[●] Equity Shares and in multiples thereof.	[●] Equity Shares and in multiples thereof.	[●] Equity Shares and in multiples thereof.
Allotment Lot	A minimum of [●] Equity Shares and thereafter in multiples of one Equity Share	A minimum of [●] Equity Shares and thereafter in multiples of one Equity Share.	A minimum of [●] Equity Shares and thereafter in multiples of one Equity Share.	A minimum of [●] Equity Shares and thereafter in multiples of one Equity Share.
Trading Lot	One (1) Equity Share,	One (1) Equity Share.	One (1) Equity Share.	One (1) Equity Share.
Who can apply(**)	Eligible Employees.	Mutual Funds, Venture Capital Fund, FVCI, FPIs (other than Category III FPIs), Public financial institutions, as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, mutual funds registered with SEBI, multilateral and bilateral development financial institutions, FPIs other than Category III Foreign Portfolio Investors, FVCIs, VCFs, AIFs, state industrial development corporation, insurance companies registered with the IRDA, provident funds (subject to applicable law) with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, in accordance with applicable law and National Investment Fund set	Companies, Corporate Bodies, Scientific Institutions, Societies, Trusts, Resident Indian individuals, HUF (in the name of Karta), Eligible NRIs and sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals, eligible QFIs and Category III FPIs.	Resident Indian individuals, (including HUFs in the name of the Karta) and Eligible NRIs.

		up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set-up and managed by the Department of Posts, India.		
Mode of Bidding	Only through the ASBA process	Only through the ASBA process (except Anchor Investors).	Only through the ASBA process	Only through the ASBA process
Terms of payment	The entire Bid Amount shall be blocked at the time of submission of Bid cum Application Form to the members of the Syndicate. In case of ASBA Bidders, the SCSB shall be authorised to block the Bid Amount mentioned in the Bid cum Application Form.	The entire Bid Amount shall be blocked at the time of submission of Bid cum Application Form to the members of the Syndicate, except for Anchor Investors. In case of ASBA Bidders, the SCSB shall be authorised to block the Bid Amount mentioned in the Bid cum Application Form (other than for Anchor Investors).	The entire Bid Amount shall be blocked at the time of submission of Bid cum Application Form to the members of the Syndicate. In case of ASBA Bidders, the SCSB shall be authorised to block the Bid Amount mentioned in the Bid cum Application Form.	The entire Bid Amount shall be blocked at the time of submission of Bid cum Application Form to the members of the Syndicate. In case of ASBA Bidders, the SCSB shall be authorised to block the Bid Amount mentioned in the Bid cum Application Form.

[#] Assuming full subscribing in the Offer

^(*)Our Company, in consultation with the Selling Shareholders and the BRLMs, may allocate upto 60% of the QIB Portion to Anchor Investors, on a discretionary basis, in accordance with the SEBI Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Price. For details, see chapter titled “Offer Procedure” beginning on page 384.

Subject to valid Bids being received at or above the Offer Price. In terms of Rule 19(2)(b)(ii) of the SCRR read with Regulation 41 of the SEBI Regulations, the Equity Shares issued in this Offer shall aggregate to at least such percentage of the post-Offer Equity Share capital of our Company, calculated at the Offer Price, that will be equivalent to at least ₹4,000 million and the post-Offer capital of our Company at the Offer Price is more than ₹16,000 million but less than or equal to ₹40,000 million. In the event the post-Offer Equity Share capital of our Company calculated at the Offer Price is lesser than or equal to ₹16,000 million, the Offer will be deemed to be undertaken in terms of Rule 19(2)(b)(i) of the SCRR. The Offer is being made through the Book Building Process wherein 50% of the Net Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the Selling Shareholders and the BRLMs, may allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI Regulations, of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, other than the QIB category, would be allowed to be met with spill over from the other categories, at the discretion of our Company and the Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange. Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Offer to the public.

The QIB Portion includes Anchor Investor Portion, as per the SEBI Regulations. Anchor Investor shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid. Provided that any difference between the Anchor Investor Allocation Price and Anchor Investor Offer Price, shall be payable by Anchor Investor Pay-in Date

In case of oversubscription in Retail Category, maximum number of Retail Individual Bidders who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to Retail Individual Bidders by the minimum Bid Lot (“Retail – Bid Lot Allottees”). The Allotment to Retail Individual Bidders will then be made in the following manner:

i. *In the event the number of Retail Individual Bidders who have submitted valid Bids in the Offer is equal to or less than Retail – Bid Lot Allottees, (i) all such Retail Individual Bidders shall be Allotted the minimum Bid Lot; and (ii) the balance Equity Shares, if any, remaining in the Retail Portion shall be Allotted on a proportionate basis to those Retail Individual Bidders who have applied for more than the minimum Bid Lot, for the balance demand of the Equity Shares Bid by them (i.e. the difference between the Equity Shares Bid and the minimum Bid Lot).*

ii. *In the event number of Retail Individual Bidders who have submitted valid Bids in the Offer is more than the Retail – Bid Lot Allottees, those Retail Individual Bidders, who will be Allotted the minimum Bid Lot shall be determined the basis of draw of lots. In the event of a draw of lots, Allotment will only be made to such Retail Individual Bidders who are successful pursuant to such draw of lots.*

Eligible Employees bidding in the Employee Reservation Portion should note that while filling the “SCSB/Payment Details” block in the Bid-cum-Application Form, they must mention the Payment Amount, i.e., the Bid Amount, as applicable. Please refer to the chapter titled “Offer Procedure” beginning on page 384 of this RHP, for further information including rejection of Bids.

Under- subscription, if any, in any category, other than the QIB category, would be met with spill-over from the other categories or a contribution of categories (including the Employee Reservation Portion) at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange. Our Company, may in consultation with the Selling Shareholders and the BRLMs offer a discount to Retail Individual Bidders (“Retail Discount”) and Eligible Employees (“Employee Discount”) in accordance with the SEBI Regulations.

A total of upto [•] Equity Shares aggregating upto ₹ 20 million shall be available for allocation on a proportionate basis to Eligible Employees, subject to valid Bids being received at or above the Offer Price. Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Offer Portion.

***In case the Bid cum Application Form is submitted in joint names, the investors should ensure that the demat account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form.*

Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Bid cum Application Forms. The balance, if any, shall be paid within the two Working Days of the Bid/Offer Closing Date.

In case of ASBA Bidders, the SCSB shall be authorised to block such funds in the bank account of the Bidder that are specified in the Bid cum Application Form.

Withdrawal of the Offer

Our Company and the Selling Shareholders, in consultation with the BRLMs, reserve the right not to proceed with the Offer at any time after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company shall issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within 1 (one) day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

If our Company and the Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a fresh issue / offer for sale of the Equity Shares, our Company shall file a fresh DRHP with SEBI. Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC

Retail Discount

The Retail Discount, if any, will be offered to Retail Individual Bidders at the time of making a bid. Retail Individual Bidders bidding at a price within the Price Band can make payment at the Bid Amount, at the time of making a Bid. Retail Individual Bidders bidding at the Cut-Off Price have to ensure payment at the Cap Price at the time of making a Bid. Retail Individual Bidders must ensure that the Bid Amount does not exceed ₹ 200,000. Retail Individual Bidders must mention the Bid Amount while filling the Bid cum Application Form.

Employee Discount

The Employee Discount, if any, will be offered to Eligible Employees at the time of making a Bid. Eligible Employees bidding at a price within the Price Band can make payment at the Bid Amount, at the time of making a Bid. Eligible Employees bidding at the Cut-Off Price have to ensure payment at the Cap Price at the time of making a Bid. Eligible Employees must ensure that the Bid Amount does not exceed ₹ 200,000. Eligible Employees must mention the Bid Amount while filling the Bid cum Application Form.

Bid/Offer Programme

Bid/Offer opens on (For all Bidders):*	July 20, 2016*
Bid/Offer closes on (For all Bidders):	July 22, 2016

**Our Company, in consultation with the Selling Shareholders and the BRLMs, consider participation by Anchor Investors. The Anchor Investor shall Bid in the Anchor Investor Bid/Offer Period i.e. one Working Day prior to the Bid/Offer Opening Date.*

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/Offer Closing Date	On or about July 22, 2016
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about July 27, 2016
Initiation of refunds/un-blocking of ASBA Accounts	On or about July 28, 2016
Credit of Equity Shares to demat accounts of Allottees	On or about July 29, 2016
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about August 1, 2016

The above timetable is indicative and does not constitute any obligation on our Company or the Selling Shareholders or the BRLMs.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within 6 (six) Working Days of the Bid/Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Company in consultation with the Selling Shareholders and the BRLMs, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholders confirm that they shall extend all reasonable co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares (offered by each such Selling Shareholder in the Offer for Sale) at all Stock Exchanges within 6 (six) Working Days from the Bid/Offer Closing Date.

Except in relation to the Bids received from Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time, "IST") during the Bid/ Offer Period (except the Bid/Offer Closing Date) as mentioned above at the Bidding Centres and the Designated Branches mentioned on the Bid cum Application Form or by members of the Syndicate at the Specified Locations or by the Registered Brokers at the Broker Centre except that:

- (i) in case of Bids by QIBs under the Net QIB Portion, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m. on the QIB Bid Closing Date;
- (ii) in case of Bids by Non-Institutional Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m. on the Bid Closing Date; and
- (iii) in case of Bids by Retail Individual Bidders and bids by Eligible Employee, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. on the Bid Closing Date, which may be extended upto such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received upto the closure of timings and reported by book running lead managers to the Stock Exchanges.

It is clarified that the Bids not uploaded on the online IPO system would be rejected. Due to limitation of time available for uploading Bids on the Bid/ Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/ Offer Closing Date and no later than 1.00 p.m. (IST) on the Bid/ Offer Closing Date. Bidders are cautioned that in the event a large number of Bids are received on Bid/ Offer Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids will be accepted only on Working Days). Investors please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, bids and any revision in Bids shall not be accepted on Saturdays and holidays as declared by the Stock Exchanges. Bids directly submitted to SCSBs by ASBA Bidders shall be uploaded by the SCSBs in the electronic system to be provided by the Stock Exchanges. Our Company, the Selling Shareholders or any member of the Syndicate is not liable for any failure in uploading the Bids due to faults in any software /hardware system or otherwise.

In case of any discrepancy in the data entered in the electronic book vis-à-vis data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid File received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

Our Company, in consultation with the Selling Shareholders and the BRLMs, reserves the right to revise the Price Band during the Bid/Offer Period, in accordance with the SEBI Regulations. In such an event, the Cap Price shall not be more than 120% of the Floor Price. Subject to compliance with the immediately preceding sentence, the Floor Price can move up or down to the extent of 20% of the Floor Price, as advertised at least five Working Days before the Bid Opening Date.

In case of revision in the Price Band, the Bid/Offer Period shall be extended for at least 3 (three) additional Working Days after such revision, subject to the Bid/Offer Period not exceeding 10 (ten) Working Days. Any revision in Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the SCSBs and the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the BRLMs and the terminals of the other members of the Syndicates.

OFFER PROCEDURE

*All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (“**General Information Document**”) included below under “ – Part B - General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue, read with the rules thereto. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant portions of the General Information Document which are applicable to this Offer.*

Our Company, the Selling Shareholders and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this chapter and the General Information Document. Bidders are advised to make their independent investigations and ensure that their Bids do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus and the Prospectus.

Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, there have been certain changes in the issue procedure for initial public offerings including making ASBA process mandatory for all investors (except for Anchor Investors), allowing registrar, share transfer agents, collecting depository participants and stock brokers to accept application forms. Further, SEBI, by its circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, reduced the time taken for listing after the closure of an issue to six working days.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process wherein 50% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the Selling Shareholders and the BRLMs, may allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price. All potential Bidders, other than Anchor Investors, may participate in the Offer through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders other than Anchor Investors are mandatorily required to utilize the ASBA process to participate in the Offer. In the event of under-subscription in the Retail Portion or the Non-Institutional Portion in the Offer, the unsubscribed portion would be allowed to be met with spill over from over subscription from any other category or a combination of categories at the sole discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

Further, upto ₹ 20 million shall be reserved for allocation on a proportionate basis to Eligible Employees, subject to valid Bids being received from them at or above the Offer Price. Any unsubscribed portion in Employee Reservation Category shall be added to the Net Offer to the public. Under-subscription, if any in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders’ depository account, including the DP

ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Bid cum Application Forms which do not have the details of the Bidders' PAN, (other than Bids made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

Bid cum Application Form

Retail Individual Bidders can submit their Bids by submitting Bid cum Application Forms, in physical form, to the members of the Syndicate, the sub-Syndicate, the Registered Brokers, Registrars to an Issue and Share Transfer Agents and Depository Participants.

Bid cum Application Forms, will be available with the Syndicate/sub-Syndicate members, SCSBs and at our Registered Office. In addition, the Bid cum Application Forms will also be available for download on the websites of the Stock Exchanges, NSE (www.nseindia.com) and BSE (www.bseindia.com), at least one day prior to the Bid Opening Date. Physical Bid cum Application Forms for Anchor Investors shall be made available at the offices of the BRLM.

QIBs (other than Anchor Investors), Non-Institutional Bidders and Retail Individual Bidders shall mandatorily participate in the Offer only through the ASBA process.

Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of a member of the Syndicate or the Registered Broker or the SCSBs or Registrars to an Issue and Share Transfer Agents or Depository Participants, as the case may be, submitted at the Bidding centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

ASBA Bidders can submit their Bids by submitting Bid cum Application Forms, either in physical or electronic mode, to the SCSB with whom the ASBA Account is maintained or in physical form to the Syndicate, the sub-Syndicate or the Registered Brokers or Registrars to an Issue and Share Transfer Agents or Depository Participants. The physical Bid cum Application Forms will be available with the Designated Branches, members of the Syndicate / sub-Syndicate and at our Registered Office.

Upon acceptance of a Bid cum Application Form, it is the responsibility of the Registered Brokers, or Registrars to an Issue and Share Transfer Agents and Depository Participants to comply with the obligations set out in the SEBI circulars nos. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, including in relation to uploading the Bids on the online system of the Stock Exchanges and forwarding the schedule along with the Bid cum Application Form to the relevant branch of the SCSB and they are liable for any failure in this regard.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis**	White
Non-Residents including Eligible NRIs, FIIs, FPIs, or FVCIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis**	Blue
Anchor Investors***	White
Eligible Employees Bidding in the Employee Reservation Portion	Pink

* Excluding electronic Bid cum Application Form.

** Bid cum Application forms will also be available on the website of the NSE (www.nseindia.com) and the BSE (www.bseindia.com). Same Bid cum Application Form applies to all ASBA Bids irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, or to the Syndicate (in Specified Cities).

*** Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLMs.

Who can Bid?

In addition to the category of Bidders set forth under ***“Part B- General Information Document for Investing in Public Issues - Category of Investors Eligible to participate in an Offer”***, on page 401 the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs other than Category III Foreign Portfolio Investor;
- Category III Foreign Portfolio Investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors category;
- Eligible Employees Bidding in the Employee Reservation Portion;
- Scientific and/ or industrial research organisations authorised in India to invest in the Equity Shares; and
- Any other person eligible to Bid in this Offer, under the laws, rules, regulations, guidelines and policies applicable to them.

Participation by associates and affiliates of BRLMs and Syndicate member(s)

The BRLMs and the Syndicate member(s) shall not be entitled to purchase in this Offer in any manner except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate member(s) may subscribe to or acquire Equity Shares in the Offer, either in the Net QIB Portion or Non-Institutional Portion as may be applicable to such Bidder, where the allocation is on a proportionate basis. Such Bidding and subscription may be on their own account or on behalf of their clients. All categories of investors, including associates and affiliates of BRLMs and Syndicate member(s), shall be treated equally for the purpose of allocation to be made on a proportionate basis.

The BRLMs and any persons related to the BRLMs (other than Mutual Funds sponsored by entities related to the BRLMs) or our Promoters and the Promoter Group cannot apply in the Offer under the Anchor Investor Portion.

Bids by Mutual Funds

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made. Further, a certified copy of their certificate of registration issued by SEBI must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No mutual fund scheme shall invest more than 10% of its net asset value in the equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs intending to make payment through freely convertible foreign exchange and Bidding on a repatriation basis could make payments through the ASBA process only by blocking the funds for the amount payable on application in their NRE Account or FCNR Accounts, maintained with banks authorised by the RBI to deal in foreign exchange. Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents, accompanied by a bank certificate confirming that the payment has been made by blocking the relevant funds in their NRE or FCNR account, as the case may be. Payment for Bids by non-resident Bidder Bidding on a repatriation basis will not be accepted out of NRO accounts.

Bids by FPIs (including FIIs)

On January 7, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely 'foreign institutional investors' and 'qualified foreign investors' are subsumed under a new category namely 'foreign portfolio investors' or 'FPIs'. RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of 3 (three) years for which fees have been paid as per the SEBI FII Regulations. Accordingly, such FIIs can participate in this Offer in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased upto the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to the RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. In case of Bids made by FPIs, a verified true copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached along with the Bid cum Application form, failing which our Company reserves the right to reject the Bid without assigning any reasons thereof.

Bids by Anchor Investors

Our Company, in consultation with the Selling Shareholders and the BRLMs, may consider participation by Anchor Investors in the Offer for upto 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(zd) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XI of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of under-subscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- i. Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLMs.
- ii. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is atleast ₹ 100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100 million.
- iii. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

- iv. Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date and be completed on the same day.
- v. Our Company, in consultation with the Selling Shareholders and the BRLMs, will finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
 - a. where allocation in the Anchor Investor Portion is upto ₹ 100 million, maximum of 2 (two) Anchor Investors;
 - b. where the allocation under the Anchor Investor Portion is more than ₹ 100 million but upto ₹ 2,500 million, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and
 - c. where the allocation under the Anchor Investor portion is more than ₹ 2,500 million: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto ₹ 2,500 million; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹ 2,500 million or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹ 50 million per Anchor Investor.
- vi. Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLMs before the Bid/ Offer Opening Date, through intimation to the Stock Exchange.
- vii. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- viii. If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/Offer Closing Date. If the Offer Price is lower than the Anchor Investor *Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor issue Price.
- ix. Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
- x. The BRLMs, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLMs) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLMs and made available as part of the records of the BRLMs for inspection by SEBI.
- xi. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- xii. Anchor Investors are not permitted to Bid in the Offer through the ASBA process.

For more information, see “Offer Procedure - Part B: General Information Document for Investing in Public Issues - Section 7: Allotment Procedure and Basis of Allotment – Allotment to Anchor Investor” on page 425.

Bids by banking companies

In case of Bids made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the “**Banking Regulation Act**”), and the Master Circular dated July 1, 2015 – Para-banking Activities, is 10% of the paid-up share capital of the investee company or 10% of the banks’ own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company’s paid-up share capital. A banking company may hold upto 30% of the paid-up share capital of the investee company with the prior

approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Bids by Eligible Employees

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Price payable by the Eligible Employee does not exceed ₹ 200,000. The Allotment in the Employee Reservation Portion will be on a proportionate basis. Eligible Employees under the Employee Reservation Portion may Bid at Cut-off Price.

- i. Bids under Employee Reservation Portion by Eligible Employees shall be: made only in the prescribed Bid cum Application Form or Revision Form.
- ii. The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 200,000. The maximum Bid in this category by an Eligible Employee cannot exceed ₹ 200,000.
- iii. Eligible Employees should mention their employee number at the relevant place in the Bid cum Application Form.
- iv. The Bidder should be an Eligible Employee as defined above. In case of joint Bids, the first Bidder shall be an Eligible Employee.
- v. Only Eligible Employees would be eligible to apply in this Offer under the Employee Reservation Portion.
- vi. Eligible Employees will have to Bid like any other Bidder. Only those Bids, which are received at or above the Offer Price, would be considered for Allotment under this category.
- vii. Eligible Employees can apply at Cut-off Price.
- viii. Bid by Eligible Employees can be made also in the Net Offer and such Bids shall not be treated as multiple Bids.
- ix. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- x. Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Offer.
- xi. If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis.

For further details, please see “Offer Procedure – Allotment Procedure and Basis of Allotment” on page 424 of this RHP.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Bids by SEBI registered Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors

The SEBI VCF Regulations and the SEBI FVCI Regulations, as amended, inter alia prescribe the investment restrictions on VCFs and FVCIs, respectively, registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs.

Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only upto 33.33% of the investible funds in various prescribed instruments, including in public offerings.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulations.

All Non-Resident Bidders including Eligible NRIs, FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and / or commission. There is no reservation for Eligible NRIs, FIIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, according to the SEBI Regulations, the shareholding of VCFs, category I AIFs and FVCIs held in a company prior to making an initial public offering would be exempt from lock-in requirements only if the shares have been held by them for at least one year prior to the time of filing this Red Herring Prospectus with SEBI. However, such equity shares shall be locked in for a period of at least one year from the date of purchase by the VCF, category I AIF or FVCI, as the case may.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

Bids by Insurance Companies

In case of Bids made by Insurance Companies, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 are broadly set forth below:

1. equity shares of a company: the lower of 10% of the outstanding Equity Shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2. the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3. the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) and (iii) above, as the case may be.

Insurance companies participating in this Offer, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

Bids by provident funds/ pension funds

In case of Bids made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Mutual Funds, Eligible FPIs, insurance companies and provident funds with a minimum corpus of ₹ 250 million and pension funds with a minimum corpus of ₹ 250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/ or bye laws, as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to accept or reject any such Bid without assigning any reasons therefor.

Bids under Employee Reservation Portion by Eligible Employees shall be:

- (b) Made only in the prescribed Bid cum Application Form or Revision Form (*i.e.* pink colour form).
- (c) The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 200,000. The maximum Bid in this category by an Eligible Employee cannot exceed ₹ 200,000.
- (d) Eligible Employees should mention their employee number at the relevant place in the Bid cum Application Form.
- (e) The Bidder should be an Eligible Employee as defined above. In case of joint bids, the first Bidder shall be an Eligible Employee.
- (f) Only Eligible Employees would be eligible to apply in this Offer under the Employee Reservation Portion.
- (g) Only those Bids, which are received at or above the Offer Price, would be considered for Allotment under this category.
- (h) Eligible Employees can apply at Cut-off Price. The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter subject to a maximum Bid Amount of ₹ 200,000.
- (i) Bid by Eligible Employees can be made also in the “Net Offer to the Public” and such Bids shall not be treated as multiple Bids.
- (j) If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- (k) Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Offer. In case of under-subscription in the Net Offer, spill over to the extent of under-subscription shall be permitted from the Employee Reservation Portion subject to the Net Offer constituting [●] % of the post-Offer share capital of the Company.
- (l) If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of allocation, refer to “*Offer Procedure - Allotment Procedure and Basis of Allotment*” on page 424.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering this Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI Regulations in (i) one the English national newspaper Financial Express, (ii) one Hindi national newspaper Jansatta, both with wide circulation, and (iii) one Marathi newspaper Navshakti, a regional newspaper with wide circulation at the place where the Registered Office is located.

General Instructions

In addition to the general instructions provided in the sub-section titled “**Part B – General Information Document for Investing in Public Offers**” on page 399. Bidders are requested to note the additional instructions provided below.

Do's:

1. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable law;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that the Bids are submitted at the bidding centres only on forms bearing the stamp of the Syndicate or Registered Broker or RTAs or DPs or SCSB (except in case of electronic forms). Ensure that your Bid is submitted either to a member of the Syndicate (in the Specified Locations), a Designated Branch of the SCSB where the ASBA Bidder or the person whose bank account will be utilised by the ASBA Bidder for bidding has a bank account, or to a Registered Broker at the Broker Centres or to RTAs or DPs at bidding centres and not to our Company.
6. Ensure that the Bid cum Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. QIBs (other than Anchor Investors), the Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only.
8. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid;
9. Ensure that you request for and receive a TRS for all your Bid options;
10. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs or the Non-Syndicate Registered Broker (at the Broker Centres) or RTAs/DPs at the bidding centers;
11. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process;
12. Submit revised Bids to the same member of the Syndicate, SCSB or Non-Syndicate Registered Broker, or RTAs or DPs as applicable, through whom the original Bid was placed and obtain a revised TRS;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same;

14. Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;
15. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
16. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms.
17. Ensure that the Bids are submitted at the Bidding centres only on the forms bearing the stamp of the Syndicate member (except in case of electronic form) or with respect to ASBA Bidders Ensure that your Bid is submitted either to a member of the Syndicate (at the Specified Locations), a designated Branch of the SCSB (where the ASBA Bidder or the person whose bank account will be utilised by the ASBA Bidder for Bidding has a bank account), RTAs or DPs.
18. Ensure that the name(s) given in the Bid cum Application Form is/ are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
19. Ensure that the category and sub-category is indicated;
20. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
21. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
22. Ensure that the DP ID, the Client ID and the PAN mentioned in the Bid cum Application Form and entered into the online IPO system of the stock exchanges by the Syndicate, the SCSBs or the Non-Syndicate Registered Brokers or RTAs or DPs, as the case may be, match with the DP ID, Client ID and PAN available in the Depository database;
23. Ensure that you use the Bid cum Application Form bearing the stamp of the Syndicate (in the Specified Locations) and/ or relevant SCSB and/ or the Designated Branch and/ or the Non-Syndicate Registered Broker at the Broker Centres or RTAs/DPs bidding centres (except in case of electronic forms);
24. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and this Red Herring Prospectus;
25. ASBA Bidders Bidding through a member of the Syndicate should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only in the Specified Locations and that the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has named at least one branch at that location for the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI <http://www.sebi.gov.in>. ASBA Bidders Bidding through a Registered Broker/RTAs/DPs should ensure that the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has named at least one branch at that location for the Registered Brokers/RTAs/DPs to deposit Bid cum Application Forms;
26. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;
27. Ensure that you have correctly signed the authorization/ undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form; and
28. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB or from the member of the Syndicate in the Specified Locations or from the Registered Broker at the Broker Centres, or from RTAs and DPs at the bidding centers as the case may be, for the submission of your Bid cum Application Form.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/ revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to the Syndicate, the SCSBs or the Registered Brokers, or the RTAs or the DPs as applicable;
4. Do not pay the Bid Amount in cash, by money order or by postal order, cheques or demand drafts or by stock invest;
5. Do not send Bid cum Application Forms by post; instead submit the same to the Syndicate, the SCSBs or the Non-Syndicate Registered Brokers or the RTAs or the DPs only;
6. Do not submit the Bid cum Application Forms to our Company, the Selling Shareholders or the Registrar to the Offer;
7. Do not Bid on a Bid cum Application Form that does not have the stamp of the Syndicate, the Registered Brokers or RTAs or DPs or the SCSBs;
8. Anchor Investors should not Bid through the ASBA process;
9. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);
10. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Investors and Eligible Employees Bidding under the Employee Reservation Portion);
11. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
12. Do not submit the GIR number instead of the PAN;
13. Do not submit the Bids without the full Bid Amount
14. Do not submit the Bids without instructions to block funds equivalent to the Bid Amount in the ASBA Account;
15. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
16. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
17. If you are a QIB, do not submit your Bid after 3.00 pm on the Bid/ Offer Closing Date for QIBs;
18. If you are a Non-Institutional Investor, Retail Individual Investor or Eligible Employee do not submit your Bid after 3.00 pm on the Bid/ Offer Closing Date;
19. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872;
20. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor;
21. Do not submit more than 5 (five) Bid cum Application Forms per ASBA Account;
22. Do not submit ASBA Bids to a member of the Syndicate at a location other than the Specified Locations or to the brokers other than the Registered Brokers at a location other than the Broker Centres or to the RTAs and DPs at a location other than the bidding centers of such RTAs or DPs;
23. Do not submit ASBA Bids to a member of the Syndicate in the Specified Locations unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in the relevant Specified Location, for the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at [http:// www.sebi.gov.in](http://www.sebi.gov.in));
24. Do not submit ASBA Bids to a Registered Broker /RTAs/DPs unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in that location for the Registered Broker/RTAs/DPs to deposit the Bid cum Application Forms (a list of such branches is available on the website of SEBI at [http:// www.sebi.gov.in](http://www.sebi.gov.in)); and

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

In addition to the instructions for completing the Bid cum Application Form provided in the sub-section titled “*Part B – General Information Document for Investing in Public Offers – Applying in the Offer – Instructions for filing the Bid cum Application Form/Application Form*” on page 403, Bidders are requested to note the additional instructions provided below.

1. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal. Bids must be in single name or in joint names (not more than three, and in the same order as their Depository Participant details).
2. Bids through ASBA must be made in single name or in joint names (not more than three, and in the same order as their details appear with the Depository Participant), and completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in this Red Herring Prospectus and in the Bid cum Application Form.
3. Bids on a repatriation basis shall be in the names of individuals, or in the name of Eligible NRIs, FIIs, FPIs, QFIs, but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees. Bids by Eligible NRIs and QFIs for a Bid Amount of upto ₹ 200,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than ₹ 200,000 would be considered under Non-Institutional Portion for the purposes of allocation.

Payment into Escrow Account for Anchor Investors

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- i. In case of resident Anchor Investors: “***Advanced Enzyme ANCHOR AC R***”
- ii. In case of Non-Resident Anchor Investors: “***Advanced Enzyme ANCHOR AC NR***”

Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Anchor Escrow Bank and the Registrar to the Offer to facilitate collections from the Anchor Investors.

Grounds for Technical Rejections

In addition to the grounds for rejection of Bids on technical grounds as provided in the sub-section titled “*Part B – General Information Document for Investing in Public Offers – Offer Procedure in Book Built Offer – Rejection and Responsibility for Upload of Bids – Grounds for Technical Rejections*” on page 421, Bidders are requested to note that Bids may be rejected on the following additional technical grounds.

1. Bid submitted without payment of the entire Bid Amount;
2. Bids submitted by Retail Individual Bidders which do not contain details of the Bid Amount and the bank account details in the Bid cum Application Form;
3. Bids submitted on a plain paper;
4. Bids by HUFs not mentioned correctly as given in the sub-section titled “*Who can Bid?*” on page 386;
5. ASBA Bids submitted directly to the SCSBs does not bear the stamp of the SCSB and/or the Designated Branch and/or the Book Running Lead Manager or Registered Brokers or RTAs or DPs, as the case may be;
6. Signature of First/sole Bidder missing;
7. The Bid cum Application Form not being signed by the account holders, if the account holder is different from the Bidder;

8. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are ‘suspended for credit’ in terms of SEBI circular (reference number: CIR/MRD/DP/22 /2010) dated July 29, 2010;
9. GIR number furnished instead of PAN;
10. Bids by Retail Individual Bidders with Bid Amount for a value of more than ₹ 200,000;
11. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
12. Bids accompanied by stock invest/money order/postal order/cash;
13. Bids by U.S. Persons, as defined under Regulation S of the U.S. Securities Act, outside the United States; and
14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid Closing Date, and Bids by Retail Individual Bidders and Eligible Employees uploaded after 5.00 p.m. on the Bid Closing Date, unless extended by the Stock Exchanges.

Signing of the Underwriting Agreement and the RoC Filing

- a. Our Company, the Selling Shareholders and the Syndicate intend to enter into an Underwriting Agreement after the finalisation of the Offer Price.
- b. After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with the applicable law, which then would be termed as the ‘Prospectus’. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of Sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

“Any person who:

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or shall be liable for action under Section 447.”*

Section 447 of Companies Act, 2013 deals with ‘Fraud’ and prescribed a punishment of “imprisonment for a term which shall not be less than 6 (six) months but which may extend to 10 (ten) years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to 3 (three) times the amount involved in the fraud”.

Undertakings by our Company

Our Company undertakes the following that:

- i. if our Company or Selling Shareholders do not proceed with the Offer after the Bid/Offer Closing Date, the reason thereof shall be given as a public notice to be issued by our Company within 2 (two) days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- ii. if our Company and the Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company and/ or the Selling Shareholders subsequently decides to proceed with the Offer;
- iii. the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

- iv. all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within 6 (Six) Working Days of the Bid/Offer Closing Date;
- v. the funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- vi. completion of Allotment and dispatch of the Allotment Advice and Anchor Investor CAN, including any revisions, if required, and refund orders to the Anchor Investor Bidders shall be done within the time prescribed under Applicable Law, and in the event of failure to do so, the Company shall ensure payment of interest to the Bidders in respect of which there was such a failure, as required under Applicable Law.
- vii. the certificates of the securities/ instructions for unblocking of funds, in case of unsuccessful Bidders to Eligible NRIs shall be despatched within specified time;
- viii. no further issue of the Equity Shares shall be made till the Equity Shares offered through this Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription, etc.;
- ix. adequate arrangements shall be made to collect all Bid cum Application Forms under the ASBA process while finalising the Basis of Allotment;
- x. the Company shall not have recourse to the Offer Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought have been received.

Undertakings by the Selling Shareholders

Each Selling Shareholder severally undertakes that:

- i. the Equity Shares being sold by it pursuant to the Offer for Sale, have been held by it for a period of at least one year prior to the date of filing the Draft Red Herring Prospectus with SEBI, are fully paid-up and are in dematerialised form;
- ii. it is the legal and beneficial owner of, and has full title to, the Equity Shares being sold by it in the Offer for Sale;
- iii. the Equity Shares being sold by it pursuant to the Offer for Sale are free and clear of any liens or encumbrances and shall be transferred to the eligible investors within the time specified under applicable law;
- iv. it shall provide reasonable assistance and co-operation as reasonably requested by the Company and BRLMs to ensure the completion of Allotment and dispatch of the Allotment Advice and Anchor Investor CAN, including any revisions, if required, and refund orders to the Anchor Investor Bidders within the time prescribed under Applicable Law;
- v. it shall provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLMs in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Offer for Sale;
- vi. funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed in this Red Herring Prospectus and the Prospectus shall be made available to the Registrar to the Offer by the Selling Shareholders;
- vii. it shall not have recourse to the proceeds of the Offer for Sale until final approval for trading of the Equity Shares from the Stock Exchanges have been received;
- viii. it confirms and undertakes that it shall not withdraw from the Offer, post the filing of this Red Herring Prospectus with the RoC;
- ix. it shall take all such steps as may be required to ensure that the Equity Shares being sold by it pursuant to the Offer for Sale are available for transfer in the Offer within the time specified under applicable law;
- x. it is not in violation of any applicable law which shall have a bearing on the Issue or the Equity Shares offered by it in Offer;
- xi. they shall deposit their Equity Shares in an escrow account opened with the Share Escrow Agent to the Offer within one Working Day prior to the Bid/Offer Opening Date; and

- xii. they shall sign, and cause their authorized signatories (by way of powers of attorney or otherwise) to sign the offer documents and agreements in relation to the Offer, and confirm that their duly authorised signatories who have signed a declaration, that the statements made by them in the offer documents about or in relation to them as well as any Offer related materials are true and correct as of the date of this Red Herring Prospectus and as will be included in the Prospectus, or such Offer related material, as the case may be.

Utilisation of Offer Proceeds

The Board of Directors certify that:

- all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- details of all monies utilised out of the Offer shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- details of all unutilised monies out of the Offer, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested;
- the utilisation of monies received under the Promoters' contribution shall be disclosed, and continue to be disclosed till the time any part of the Offer Proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- the details of all unutilised monies out of the funds received under the Promoters' contribution shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

Each Selling Shareholder along with our Company declares that all monies received out of the Offer for Sale and the Offer, respectively, shall be credited/ transferred to a separate bank other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013

PART B

General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders / Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Offer. For taking an investment decision, the Bidders / Applicants should rely on their own examination of the Company and the Offer, and should carefully read this Red Herring Prospectus/ Prospectus before investing in the Offer.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building process as well as to the Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Bidders/ Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the “SEBI ICDR Regulations”).

Bidders/ Applicants should note that investment in equity and equity related securities involves risk and Bidder/ Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/ or for subscribing to securities in an Issue and the relevant information about the Company undertaking the Issue are set out in the Red Herring Prospectus (“RHP”)/Prospectus filed by the Company with the Registrar of Companies (“RoC”). Bidders/ Applicants should carefully read the entire RHP/ Prospectus and the Bid cum Application Form/ Application Form and the Abridged Prospectus of the Company in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/ or overlap between the disclosure included in the DRHP and the RHP/ Prospectus, the disclosures in the RHP/ Prospectus shall prevail. The RHP/ Prospectus of the Company is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/ Applicants may refer to “Glossary and Abbreviations”.

SECTION 2: BRIEF INTRODUCTION TO IPOs/ FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Company to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Company.

For undertaking an IPO, a Company is *inter alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Company, Bidders/Applicants may refer to the RHP/ Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Company to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed company.

For undertaking an FPO, the company is *inter alia* required to comply with the eligibility requirements in terms of Regulation 26/ 27 of the SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the company, Bidders/ Applicants may refer to the RHP/ Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an company proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/ Applicants may refer to the RHP/ Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, a company can either determine the Issue Price through the Book Building Process (“**Book Built Issue**”) or undertake a Fixed Price Issue (“**Fixed Price Issue**”). A company may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of affixed price issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The company shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre- Issue advertisement was given at least 5 (five) Working Days before the Bid/ Issue Opening Date, in case of an IPO and at least 1 (one) Working Day before the Bid/ Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Bidders/ Applicants should refer to the RHP/ Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 Issue Period

The Issue may be kept open for a minimum of 3 (three) Working Days (for all category of Bidders/ Applicants) and not more than 10 (ten) Working Days. Bidders/Applicants are advised to refer to the Bid Cum Application Form and Abridged Prospectus or RHP/ Prospectus for details of the Bid/ Issue Period. Details of Bid/ Issue Period are also available on the website of Stock Exchange(s).

In case of a Book Built Issue, the company may close the Bid/ Issue Period for QIBs 1 (one) Working Day prior to the Bid/ Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/ Issue Period may be extended by at least 3 (three) Working Days, subject to the total Bid/ Issue Period not exceeding 10 (ten) Working Days. For details of any revision of the Floor Price or Price Band, Bidders/ Applicants may check the announcements made by the Company on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

2.6 Flow Chart Of Timelines

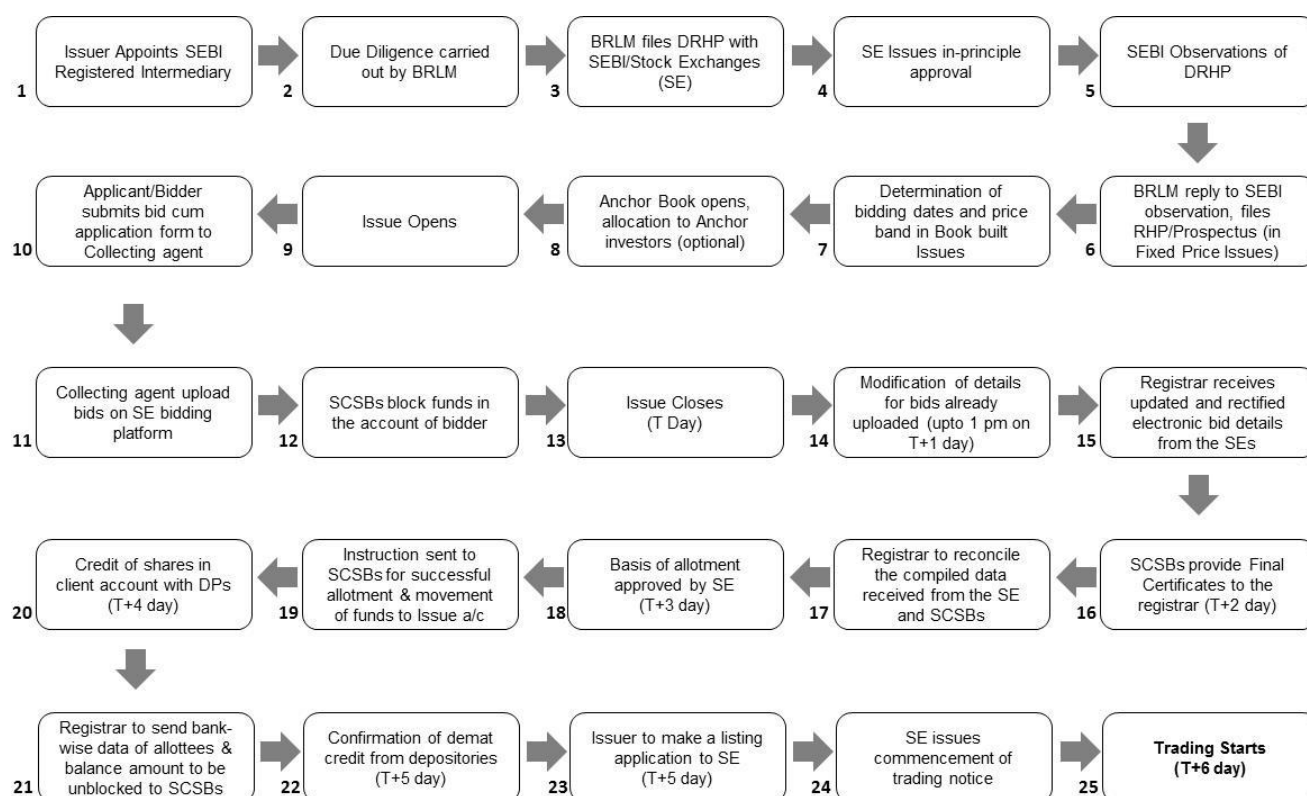
A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/ Applicants may note that this is not applicable for Fast Track FPOs.:

In case of Issue other than Book Build Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

- (i) Step7: Determination of Issue Date and Price;
- (ii) Step10: Applicant submits ASBA Application Form with Designated Branch of SCSB;
- (iii) Step11: SCSB uploads ASBA Application details in Stock Exchange Platform;

(iv) Step12: Issue period closes;

(v) Step15: Not Applicable.



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/ Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/ Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/ Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/ Applicants are requested to refer to the RHP/ Prospectus for more details.

Subject to the above, an illustrative list of Bidders/ Applicants is as follows:

- i. Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- ii. Bids/ Applications belonging to an account for the benefit of a minor(under guardianship);
- iii. Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/ Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/ Application Form as follows:
- iv. “Name of sole or first Bidder/ Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*”. Bids/ Applications by HUFs may be considered at par with Bids/ Applications from individuals;
- v. Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- vi. QIBs;
- vii. NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;

- viii. Qualified Foreign Investors subject to applicable law;
- ix. Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- x. FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, bidding under the QIBs category;
- xi. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non Institutional Investors (NIIs) category;
- xii. FPIs other than Category III foreign portfolio investors bidding under the QIBs category;
- xiii. FPIs which are Category III foreign portfolio investors, bidding under the NIIs category;
- xiv. Trusts/ societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/ societies and who are authorised under the irrelative constitutions to hold and invest in equity shares;
- xv. Limited liability partnerships registered under the Limited Liability Partnership Act, 2008; and
- xvi. Any other person eligible to Bid/ Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.

As per the existing regulations, OCBs are not allowed to participate in an Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified Bid cum Application Form either bearing the stamp of a member of the Syndicate or bearing a stamp of the Registered Broker or stamp of Registrars to an Issue and Share Transfer Agents (RTAs) or stamp of Depository Participants (DPs), or stamp of SCSBs as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the members of the Syndicate, Registered Brokers, Designated Branches of the SCSBs and at the registered office of the Company. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least 1 (one) day prior to the Bid/ Issue Opening Date. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/ Prospectus.

Fixed Price Issue: Applicants should only use the specified Cum Application Form either bearing the stamp of Collection Bank(s) or SCSBs as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Branches of Collection Banks or Designated Branches of the SCSBs and at the registered office of the Company. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/ Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/ Applicants is as follows:

Category	Colour of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non-repatriation basis.	White
NRIs, FVCIs, foreign individuals bidding under the QIB), Eligible FPIs, on a repatriation basis.	Blue
Anchor Investors (where applicable) & Bidders/ Applicants bidding/ applying in the reserved category.	As specified by the Issuer
Eligible Employees.	Pink

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders/ Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM/ APPLICATION FORM

Bidders/ Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/ Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

Application Form – For Residents

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : Contact Details: CIN No	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS																							
LOGO TO, THE BOARD OF DIRECTORS XYZ LIMITED	BOOK BUILT ISSUE ISIN :	Bid cum Application Form No. 																							
SYNDICATE MEMBER'S STAMP & CODE BROKER/SCSB/DP/RTA STAMP & CODE 1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr. / Ms. Address Email Tel. No (with STD code) / Mobile 																									
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE ESCROW BANK/SCSB BRANCH STAMP & CODE 2. PAN OF SOLE / FIRST BIDDER 																									
BANK BRANCH SERIAL NO. SCSB SERIAL NO. 3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID 4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF") <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Bid Options</th> <th rowspan="2">No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)</th> <th colspan="3">Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)</th> </tr> <tr> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>(OR) Option 2</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>(OR) Option 3</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table> 5. CATEGORY ☐ Retail Individual Bidder ☐ Non-Institutional Bidder ☐ QIB			Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			Bid Price	Retail Discount	Net Price	Option 1					(OR) Option 2					(OR) Option 3				
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Option 1																									
(OR) Option 2																									
(OR) Option 3																									
6. INVESTOR STATUS ☐ Individual(s) - IND ☐ Hindu Undivided Family - HUF ☐ Bodies Corporate - CO ☐ Banks & Financial Institutions - FI ☐ Mutual Funds - MF ☐ Non-Resident Indians - NRI (Non-Repatriation basis) ☐ National Investment Fund - NIF ☐ Insurance Funds - IF ☐ Insurance Companies - IC ☐ Venture Capital Funds - VCF ☐ Alternative Investment Funds - AIF ☐ Others (Please specify) - OTH * HUF should apply only through Karna (Application by HUF would be treated on par with Individual)																									
7. PAYMENT DETAILS PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐ Amount paid (₹ in figures) (₹ in words) _____ ASBA Bank A/c No. Bank Name & Branch 																									
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABSTRACT PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.																									
8A. SIGNATURE OF SOLE / FIRST BIDDER 	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the law 1) _____ 2) _____ 3) _____	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system) 																							

TEAR HERE

LOGO TO, THE BOARD OF DIRECTORS XYZ LIMITED	XYZ LIMITED INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/DP/RTA Bid cum Application Form No. PAN of Sole / First Bidder 																				
DPID / CLID 																						
Amount paid (₹ in figures) Bank & Branch 		Stamp & Signature of SCSB Branch 																				
ASBA Bank A/c No. 																						
Received from Mr./Ms. Telephone / Mobile Email 																						
TEAR HERE																						
XYZ LIMITED - INITIAL PUBLIC ISSUE - R	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th></th> <th>Option 1</th> <th>Option 2</th> <th>Option 3</th> </tr> <tr> <td>No. of Equity Shares</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Bid Price</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Amount Paid (₹)</td> <td></td> <td></td> <td></td> </tr> <tr> <td colspan="4"> ASBA Bank A/c No. Bank & Branch </td> </tr> </table>		Option 1	Option 2	Option 3	No. of Equity Shares				Bid Price				Amount Paid (₹)				ASBA Bank A/c No. Bank & Branch 				Stamp & Signature of Broker / SCSB / DP / RTA Name of Sole / First Bidder Acknowledgement Slip for Bidder Bid cum Application Form No.
	Option 1	Option 2	Option 3																			
No. of Equity Shares																						
Bid Price																						
Amount Paid (₹)																						
ASBA Bank A/c No. Bank & Branch 																						

Application Form – For Non Residents

TEAR HERE	COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR Address : _____ Contact Details: _____ CTN No _____	FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIs OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS
PLEASE FILL IN BLOCK LETTERS	LOGO TO, THE BOARD OF DIRECTORS XYZ LIMITED	BOOK BUILT ISSUE ISIN : _____	Bid cum Application Form No. _____
SYNDICATE MEMBER'S STAMP & CODE		BROKER/SCSB/DP/RTA STAMP & CODE	
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE		ESCROW BANK/SCSB BRANCH STAMP & CODE	
BANK BRANCH SERIAL NO.		SCSB SERIAL NO.	
1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER			
Mr. / Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____			
2. PAN OF SOLE / FIRST BIDDER			

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL			
For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID			
4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")			
Bid Options:	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)	
	8 7 6 5 4 3 2 1	Bid Price Retail Discount Net Price "Cut-off" (Please tick)	
Option 1		☐ Retail Individual Bidder	
OR) Option 2		☐ Non-Institutional Bidder	
(OR) Option 3		☐ QIB	
5. CATEGORY			
☐ FI Non-Resident Indian(s) (Repatriation basis) ☐ FI FI or Sub-account not a Corporate/Foreign Individual ☐ FIISA FI Sub-account Corporate/Individual ☐ FVCI Foreign Venture Capital Investor ☐ FPI Foreign Portfolio Investors ☐ OTH Others (Please Specify) _____			
6. INVESTOR STATUS			
Amount paid (₹ in figures) _____ (₹ in words) _____			
7. PAYMENT DETAILS			
ASBA Bank A/c No. _____ Bank Name & Branch _____			
8. SIGNATURE OF SOLE / FIRST BIDDER			
I/We (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED AGREED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.			
8A. SIGNATURE OF SOLE / FIRST BIDDER		8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the line 1) _____ 2) _____ 3) _____	
Date : _____		BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)	
TEAR HERE			
TEAR HERE	XYZ LIMITED INITIAL PUBLIC ISSUE - NR	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No. _____ PAN of Sole / First Bidder _____
TEAR HERE	DPID / CLID _____	Amount paid (₹ in figures) _____ Bank & Branch _____ ASBA Bank A/c No. _____ Received from Mr./Ms. _____ Telephone / Mobile _____ Email _____	Stamp & Signature of SCSB Branch _____
TEAR HERE			
XYZ LIMITED - INITIAL PUBLIC ISSUE - NR	Option 1 Option 2 Option 3 No. of Equity Shares _____ Bid Price _____ Amount Paid (₹) _____ ASBA Bank A/c No. _____ Bank & Branch _____	Stamp & Signature of Broker / SCSB / DP / RTA _____ Name of Sole / First Bidder _____ Acknowledgement Slip for Bidder Bid cum Application Form No. _____	_____

4.1.1. FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST BIDDER/ APPLICANT

- (a) Bidders/ Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- (b) **Mandatory Fields:** Bidders/ Applicants should note that the name and address fields are compulsory and e-mail and/ or telephone number/ mobile number fields are optional. Bidders/ Applicants should note that the contact details mentioned in the Bid-cum Application Form/ Application Form may be used to dispatch communications(including letters notifying the unblocking of the bank accounts of ASB A Bidders/ Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Company, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (c) **Joint Bids/ Applications:** In the case of Joint Bids/ Applications, the Bids / Applications should be made in the name of the Bidder/ Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such First Bidder/ Applicant would be required in the Bid cum Application Form/ Application Form and such First Bidder/ Applicant would be deemed to have signed on behalf of the joint holders All payments may be made out in favour of the Bidder/ Applicant whose name appears in the Bid cum Application Form/ Application Form or the Revision Form and all communications may be addressed to such Bidder/ Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (d) **Impersonation:** Attention of the Bidders/ Applicants is specifically drawn to the provisions of Sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

1. *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
2. *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
3. *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.*
4. *The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending upto 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending upto three times of such amount.”*

- (e) **Nomination Facility to Bidder/ Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/ Applicants should inform their respective DP.

4.1.2. FIELD NUMBER 2: PAN NUMBER OF SOLE/ FIRST BIDDER/ APPLICANT

- (a) PAN (of the sole/ First Bidder/ Applicant) provided in the Bid cum Application Form/ Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/ Applications on behalf of the Central or State Government, Bids/ Applications by officials appointed by the courts and Bids/ Applications by Bidders/ Applicants residing in Sikkim (“**PAN Exempted Bidders/ Applicants**”). Consequently, all Bidders/ Applicants, other than the PAN Exempted Bidders/

Applicants, are required to disclose their PAN in the Bid cum Application Form/ Application Form, irrespective of the Bid/ Application Amount. A Bid cum Application Form/ Application Form without PAN, except in case of Exempted Bidders/ Applicants, is liable to be rejected. Bids/ Applications by the Bidders/ Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- (c) The exemption for the PAN Exempted Bidders/ Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- (d) Bid cum Application Forms/ Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Bids/ Applications by Bidders whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/ MRD/ DP/ 22/ 2010. Such accounts are classified as “**Inactive demat accounts**” and demographic details are not provided by depositories.

4.1.3. FIELD NUMBER 3: BIDDERS/ APPLICANTS DEPOSITORY ACCOUNT DETAILS

- (a) Bidders/ Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/ Application Form. The DP ID and Client ID provided in the Bid cum Application Form/ Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the Bid cum Application Form/ Application Form is liable to be rejected.
- (b) Bidders/ Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/ Application Form is active.
- (c) Bidders/ Applicants should note that on the basis of DP ID and Client ID as provided in the Bid cum Application Form/ Application Form, the Bidder/ Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/ Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving refunds and allocation advice or unblocking of ASBA Account or for other correspondence(s) related to an Issue.
- (d) Bidders/ Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/ Applicants’ sole risk.

4.1.4. FIELD NUMBER 4: BID OPTIONS

- (a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/ RHP by the Company. The Company is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least 1 (one) English, 1 (one) Hindi and 1 (one) regional newspaper, with wide circulation, at least 5 (five) Working Days before Bid/ Issue Opening Date in case of an IPO, and at least 1 (one) Working Day before Bid/ Issue Opening Date in case of an FPO.
- (b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs / FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details bidders may refer to (section 5.6 (e)).
- (c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

- (d) **Minimum Application Value and Bid Lot:** The Company in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Bid Lot is accordingly determined by a company on basis of such minimum application value.
- (e) **Allotment:** The allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be allotted on a proportionate basis. For details of the Bid Lot, bidders may refer to the RHP/ Prospectus or the advertisement regarding the Price Band published by the Company.

4.1.4.1 Maximum and Minimum Bid Size

- (a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors and Employees must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.
- (b) For NRIs, a Bid Amount of upto ₹ 200,000 may be considered under the Retail Portion for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- (c) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/ Prospectus, or as advertised by the Company, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at 'Cut-off Price'.
- (d) RII may revise their bids till closure of the bidding period or withdraw their bids until finalization of allotment. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.
- (e) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Portion would be considered for allocation under the Retail Portion.
- (f) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Portion under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/ Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- (g) A Bid cannot be submitted for more than the Issue size.
- (h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- (i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for allotment and the rest of the Bid(s),

irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of bidders may refer to (section 5.6 (e))

4.1.4.2 Multiple Bids

- (a) Bidder should submit only 1 (one) Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at 3 (three) different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

- (b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

- i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
- ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

- (c) The following Bids may not be treated as multiple Bids:

- i. Bids by Reserved Categories bidding in their respective Reservation Portion as well as bids made by them in the Net Issue portion in public category.
- ii. Separate Bids by Mutual Funds in respect of more than 1 (one) scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
- iii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
- iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion.

4.1.5. FIELD NUMBER 5: CATEGORY OF BIDDERS

- (a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.
- (b) Upto 60% of the QIB Portion can be allocated by the Company, on a discretionary basis subject to the criteria of minimum and maximum number of anchor investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, 2009, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, bidders may refer to the RHP/ Prospectus.
- (c) A Company can make reservation for certain categories of Bidders/ Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders/ Applicants may refer to the RHP/ Prospectus.
- (d) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in the Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder/ Applicant may refer to the RHP/ Prospectus.

4.1.6. FIELD NUMBER 6: INVESTOR STATUS

- (a) Each Bidder/ Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Bidders/ Applicants, such as NRIs, FIIs, FPIs, QFIs and FVCIs may not be allowed to Bid/ Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/ Applicants are requested to refer to the RHP/ Prospectus for more details.
- (c) Bidders/ Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.
- (d) Bidders/ Applicants should ensure that their investor status is updated in the Depository records.

4.1.7. FIELD NUMBER 7: PAYMENT DETAILS

- (a) All Bidders are required to make payment of the full Bid Amount (net of any Discount, as applicable) along-with the Bid cum Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the payment shall be made for Bid Amount net of Discount. Only in cases where the RHP/ Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than 1 (one) Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of 3 (three) options at net price, i.e. Bid price less Discount offered, if any.
- (b) Bidders who Bid at Cut-off price shall deposit the Bid Amount based on the Cap Price.
- (c) Bidders can participate in the Issue only through the ASBA mechanism.
- (d) Bid Amount cannot be paid in cash, through money order or through postal order.

4.1.7.1 Payment instructions for ASBA Bidders

- (a) ASBA Bidders may submit the Bid cum Application Form either
 - i. in physical mode to the Designated Branch of an SCSB where the Bidders/ Applicants have ASBA Account, or
 - ii. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
 - iii. in physical mode to a member of the Syndicate at the Specified Locations, or Registered Brokers of the Stock Exchange or RTAs or DPs.
- (b) ASBA Bidders may specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by an ASBA Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- (c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;
- (d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From 1 (one) ASBA Account, a maximum of 5 (five) Bids cum Application Forms can be submitted.

- (f) ASBA Bidders bidding through a member of the Syndicate should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only at the Specified locations. ASBA Bidders should also note that Bid cum Application Forms submitted to a member of the Syndicate at the Specified locations may not be accepted by the Member of the Syndicate if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least 1 (one) branch at that location for the members of the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at [http:// www.sebi.gov.in](http://www.sebi.gov.in)).
- (g) ASBA Bidders bidding through a Registered Broker/**RTAs/DPs** should note that Bid cum Application Forms submitted to the Registered Brokers/ **RTAs/DPs** may not be accepted by the Registered Broker/ **RTAs/DPs**, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least 1 (one) branch at that location for the Registered Brokers. **RTAs/DPs** to deposit Bid cum Application Forms.
- (h) ASBA Bidders bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
- (j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- (k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.
- (l) Upon submission of a completed Bid cum Application Form each ASBA Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.
- (m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
- (n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.2.1 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Offer Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Offer Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Offer Account, and (iv) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Bidder to the Public Offer Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within 6 (six) Working Days of the Bid/ Issue Closing Date.

4.1.7.2 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.7.3 Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/ Prospectus.
- (c) The Bidders entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net payment (post Discount) is more than 2 (two) lakh Rupees, the bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8. FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- (a) Only the First Bidder/ Applicant is required to sign the Bid cum Application Form/ Application Form. Bidders/ Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the ASBA Bidder/ Applicant, then the Signature of the ASBA Account holder(s) is also required.
- (c) The signature has to be correctly affixed in the authorization/ undertaking box in the Bid cum Application Form/ Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/ Application Form.
- (d) Bidders/ Applicants must note that Bid cum Application Form/ Application Form without signature of Bidder/ Applicant and / or ASBA Account holder is liable to be rejected.

4.1.9. ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

- (a) Bidders should ensure that they receive the acknowledgment duly signed and stamped by a member of the Syndicate, Registered Broker, RTAs or SCSB, as applicable, for submission of the Bid cum Application Form.
- (b) All communications in connection with Bids/ Applications made in the Issue should be addressed as under:
 - (i) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Bidders/ Applicants should contact the Registrar to the Issue.
 - (ii) In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders/ Applicants should contact the relevant Designated Branch of the SCSB.
 - (iii) In case of queries relating to uploading of Syndicate ASBA Bids, the Bidders/ Applicants should contact the relevant Syndicate member(s).
 - (iv) In case of queries/RTA/DP relating to uploading of Bids by a Registered Broker, the Bidders/ Applicants should contact the relevant Registered Broker RTA/DP.

- (v) Bidder/ Applicant may contact the Company Secretary and Compliance Officer or BRLMs in case of any other complaints in relation to the Issue.
- (c) The following details (as applicable) should be quoted while making any queries -
 - (i) full name of the sole or First Bidder/ Applicant, Bid cum Application Form number, Applicants'/ Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
 - (ii) name and address of the member of the Syndicate, Registered Broker RTA/DP or the Designated Branch, as the case may be, where the Bid was submitted or
 - (iii) In case of ASBA Bids, ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

For further details, Bidder/ Applicant may refer to the RHP/ Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

- (a) During the Bid/ Issue Period, any Bidder/ Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.
- (b) RII may revise their bids till closure of the bidding period or withdraw their bids until finalization of allotment.
- (c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- (d) The Bidder/ Applicant can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Bidders/ Applicants will have to use the services of the same member of the Syndicate, the Registered Broker or the SCSB through which such Bidder/ Applicant had placed the original Bid. Bidders/ Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

Revision Form

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

COMMON BID REVISION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : Contact Details: CIN No.	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	BOOK BUILT ISSUE ISIN :
		Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER	
		Mr. / Ms.	
		Address	
		Tel. No (with STD code) / Mobile	
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE	2. PAN OF SOLE / FIRST BIDDER	
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	3. BIDDER'S DEPOSITORY ACCOUNT DETAILS	
		☐ NSDL ☐ CDSL For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID	

PLEASE CHANGE MY BID												
4. FROM (AS PER LAST BID OR REVISION)												
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)			
	(In Figures)								(In Figures)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please tick)
Option 1												☐
(OR) Option 2												☐
(OR) Option 3												☐
5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")												
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)			
	(In Figures)								(In Figures)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please tick)
Option 1												☐
(OR) Option 2												☐
(OR) Option 3												☐

6. PAYMENT DETAILS									
Additional Amount Paid (₹ in figures) (₹ in words)									
ASBA Bank A/c No. Bank Name & Branch									
PAYMENT OPTION : ☐ FULL PAYMENT ☐ PART PAYMENT									

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABBREVIATED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONVINCE THE BIDDERS UNDERTAKING AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.									
7A. SIGNATURE OF SOLE / FIRST BIDDER				7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)				BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)	
 Date :				 I/We authorize the SCSB to do all acts as are necessary to make the Application in the name					

LOGO	XYZ LIMITED BID REVISION FORM - INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No.
		FAN of Sole / First Bidder	
DPID / CLID			
Additional Amount Paid (₹)		Bank & Branch	
ASBA Bank A/c No.		Stamp & Signature of SCSB Branch	
Received from Mr./Ms.			
Telephone / Mobile Email			

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R	Option 1	Option 2	Option 3	Stamp & Signature of Broker / SCSB / DP / RTA 	Name of Sole / First Bidder
	No. of Equity Shares				
	Bid Price				
	Additional Amount Paid (₹)				
	ASBA Bank A/c No.				
Bank & Branch				Acknowledgement Slip for Bidder Bid cum Application Form No.	

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/ FIRST BIDDER/ APPLICANT, PAN OF SOLE/ FIRST BIDDER/ APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/ APPLICANT

Bidders/ Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'

- (a) Apart from mentioning the revised options in the Revision Form, the Bidder/ Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a

Bidder/ Applicant has Bid for 3 (three) options in the Bid cum Application Form and such Bidder/ Applicant is changing only one of the options in the Revision Form, the Bidder/ Applicant must still fill the details of the other 2 (two) options that are not being revised, in the Revision Form. The members of the Syndicate, the Registered Brokers RTAs, DPs and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Forms.

- (b) In case of revision, Bid options should be provided by Bidders/ Applicants in the same order as provided in the Bid cum Application Form.
- (c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders/ Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- (d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Portion in terms of the RHP/ Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIIs who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding may be unblocked

4.2.3 FIELD 6: PAYMENT DETAILS

- (a) All Bidders/Applicants are required to make payment of the full Bid Amount (less Discount (if applicable) along with the Bid Revision Form. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- (b) In case of Bids submitted by ASBA Bidder/Applicant, Bidder/Applicant may Offer instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same member of the Syndicate/Registered Broker/RTA/DP or the same Designated Branch (as the case may be) through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- (c) In case of Bids, other than ASBA Bids, Bidder/Applicant, may make additional payment based on the cap of the revised Price Band (such that the total amount i.e., original Bid Amount plus additional payment does not exceed ₹ 200,000 if the Bidder/Applicant wants to continue to Bid at the Cut-off Price), with the members of the Syndicate /Registered Broker/RTAs/DPs to whom the original Bid was submitted.
- (d) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of allotment, such that no additional payment is required from the Bidder/Applicant and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of bidding may be unblocked.

4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Bidders/ Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

4.3.1 FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/ FIRST BIDDER/ APPLICANT, PAN OF SOLE/ FIRST BIDDER/ APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/ APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT

- (a) The Company may mention Price or Price band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).
- (b) **Minimum Application Value and Bid Lot:** The Company in consultation with the Lead Manager to the Issue (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Lot size is accordingly determined by a Company on basis of such minimum application value.
- (c) Applications by RIIs, Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹200,000.
- (d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Company, as the case may be.
- (e) An application cannot be submitted for more than the Issue size.
- (f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.
- (g) **Multiple Applications:** An Applicant should submit only 1 (one) Application Form. Submission of a second Application Form to either the same or to Collection Bank(s) or SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- (h) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:
 - i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple applications by a Bidder/ Applicant and may be rejected.
 - ii. For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- (i) The following applications may not be treated as multiple Bids:
 - i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.

- ii. Separate applications by Mutual Funds in respect of more than 1 (one) scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.
- iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 FIELD NUMBER 5: CATEGORY OF APPLICANTS

- (a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- (b) A Company can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- (c) The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 FIELD NUMBER 6: INVESTOR STATUS

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 FIELD 7: PAYMENT DETAILS

- (a) All Applicants are required to make payment of the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the payment shall be made for an Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.
- (b) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

4.3.5.1 Payment instructions for ASBA Applicants

- (a) ASBA Applicants may submit the Application Form in physical mode to the Designated Branch of an SCSB where the Applicants have ASBA Account.
- (b) ASBA Applicants may specify the Bank Account number in the Application Form. The Application Form submitted by an ASBA Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From 1 (one) ASBA Account, a maximum of 5 (five) Bids cum Application Forms can be submitted.
- (f) ASBA Applicants bidding directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.

- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- (l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.3.5.2.1 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Offer Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Offer Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Offer Account, and (iv) details of rejected ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Offer Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 5 (five) Working Days of the Issue Closing Date.

4.3.5.2 Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms,
- (b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
- (c) (The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.3.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM/ APPLICATION FORM

4.4.1 Bidders/Applicants may submit completed Bid cum Application form / Revision Form in the following manner:-

Mode of Application	Submission of Bid cum Application Form
ASBA Application	(i) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres; (ii) To the Designated branches of the SCSBs where the ASBA Account is maintained: 1. Depository Participant; 2. Stock Brokers registered with a recognised stock exchange; 3. Registrar to the Issue and share transfer agent.

- Bidders/ Applicants should not submit the bid cum application forms/ Revision Form directly to the escrow collection bank. Bid cum Application Form/ Revision Form submitted to the escrow collection banks are liable for rejection.
- Bidders/ Applicants should submit the Revision Form to the same member of the Syndicate, the Registered Broker RTAs or DPs or the SCSB through which such Bidder/ Applicant had placed the original Bid.
- Upon submission of the Bid cum Application Form, the Bidder/ Applicant will be deemed to have authorized the Company to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the Registrar of Companies (RoC) and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/ Applicant.
- Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid cum Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

- During the Bid/ Issue Period, Bidders/ Applicants may approach the members of the Syndicate at the Specified Cities, any of the Registered Brokers or the Designated Branches, a stock broker registered with a recognised stock exchange, a depository participant, or the registrar and share transfer agent to register their Bids.
- In case of ASBA Bidders/ Applicants (excluding NIIs and QIBs) bidding at Cut-off Price, the ASBA Bidders/ Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable). ASBA Bidders/ Applicants may approach the members of the Syndicate, any of the Registered Brokers RTAs or DPs or the Designated Branches a stock broker registered with a recognised stock exchange, the Registrar and share transfer agent to register their Bids.
- For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/ Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

- (a) The Syndicate, the Registered Brokers RTAs or DPs and the SCSBs may register the Bids using the on-line facilities of the Stock Exchanges. The Syndicate, the Registered Brokers RTAs or DPs and the Designated Branches of the SCSBs can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the issue.
- (b) On the Bid/ Issue Closing Date, the Syndicate, the Registered Broker RTAs or DPs and the Designated Branches of the SCSBs may upload the Bids till such time as may be permitted by the Stock Exchanges.
- (c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/ Allotment. The members of the Syndicate, the Registered Brokers RTAs or DPs and the SCSBs are given upto 1 (one) day after the Bid/ Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Issue Period after which the Stock Exchange(s) send the bid information to the Registrar for validation of the electronic bid details with the Depository's records.

5.3 BUILD UP OF THE BOOK

- (a) Bids received from various Bidders/ Applicants through the Syndicate, Registered Brokers RTAs or DPs and the SCSBs may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/ Issue Period.
- (b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the bidding centres during the Bid/ Issue Period.

5.4 WITHDRAWAL OF BIDS

- (a) RIIs can withdraw their Bids until finalization of Basis of Allotment. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned SCSB or the Syndicate member(s) or the Registered Broker, RTAs or DPs as applicable, who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- (b) In case a RII wishes to withdraw the Bid after the Bid/ Issue Period, the same can be done by submitting a withdrawal request to the Registrar to the Issue until finalization of Basis of Allotment. The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

- (a) The members of the Syndicate, the Registered Broker RTAs or DPs and/ or SCSBs are individually responsible for the acts, mistakes or errors or omission in relation to
 - (i) the Bids accepted by the members of the Syndicate, the Registered Broker RTAs or DPs and the SCSBs,
 - (ii) the Bids uploaded by the members of the Syndicate, the Registered Broker RTAs or DPs and the SCSBs,
 - (iii) the Bid cum application forms accepted but not uploaded by the members of the Syndicate, the Registered Broker RTAs or DPs and the SCSBs, or
 - (iv) With respect to Bids by ASBA Bidders/ Applicants, Bids accepted and uploaded by SCSBs without blocking funds in the ASBA Accounts. It may be presumed that for Bids uploaded by the SCSBs, the Bid Amount has been blocked in the relevant Account.

- (b) The BRLMs and their affiliate syndicate member(s), as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- (c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- (d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate syndicate member(s) (only in the specified locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- (e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms/ Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to the (i) authorised agents of the BRLMs, (ii) Registered Brokers, or (iii) SCSBs, or (iv) RTAs or (v)DPs or at the time of finalisation of the Basis of Allotment. Bidders/ Applicants are advised to note that the Bids/ Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various places in this GID:-

- (a) Bid/ Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- (b) Bids/ Applications by OCBs;
- (c) In case of partnership firms, Bid/ Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
- (d) In case of Bids/ Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum application form/ Application Form;
- (e) Bids/ Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- (f) Bids/ Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
- (g) DP ID and Client ID not mentioned in the Bid cum Application Form/ Application Form;
- (h) PAN not mentioned in the Bid cum Application Form/ Application Form except for Bids/ Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
- (i) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- (j) Bids/ Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- (k) Bids/ Applications at a price less than the Floor Price & Bids/ Applications at a price more than the Cap Price;
- (l) Bids/ Applications at Cut-off Price by NIIs and QIBs;
- (m) The amounts mentioned in the Bid cum Application Form/ Application Form does not tally with the amount payable for the value of the Equity Shares Bid/ Applied for;

- (n) Bids/ Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- (o) Submission of more than 5 (five) Bid cum Application Forms/ Application Form as per ASBA Account;
- (p) Bids/ Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
- (q) Multiple Bids/ Applications as defined in this GID and the RHP/ Prospectus;
- (r) Bid cum Application Forms/ Application Forms are not delivered by the Bidders/ Applicants within the time prescribed as per the Bid cum Application Forms/ Application Form, Bid/ Issue Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;
- (s) Inadequate funds in the bank account to block the Bid/ Application Amount specified in the Bid cum Application Form/ Application Form at the time of blocking such Bid/ Application Amount in the bank account;
- (t) Where no confirmation is received from SCSB for blocking of funds;
- (u) Bids/ Applications by Bidders (other than Anchor Investors) not submitted through ASBA process or accompanied with cheque(s) or demand draft(s);
- (v) Bids/Applications submitted to the BRLM at locations other than the Specified Cities and Bid cum Application Forms/Application Forms, to the Selling Shareholder or the Registrar to the Offer;
- (w) Bids/ Applications not uploaded on the terminals of the Stock Exchanges;
- (x) Bids/ Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/ Application Form.

5.6 BASIS OF ALLOCATION

- (a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/ Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP / Prospectus. For details in relation to allocation, the Bidder/ Applicant may refer to the RHP / Prospectus.
- (b) Under-subscription in Retail Portion is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Company and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Portion is not available for subscription to other categories.
- (c) In case of under subscription in the Net Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Net Issue. For allocation in the event of an under-subscription applicable to the Company, Bidders/ Applicants may refer to the RHP.

Illustration of the Book Building and Price Discovery Process.

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes bidding by Anchor Investors.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of 5 (five) Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Company at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Company is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.0 in the above example. The Company, in consultation with the Selling Shareholders and the BRLMs, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.0. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

(e) Alternate Method of Book Building

In case of FPOs, companies may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of bidding (“**Alternate Book Building Process**”).

The company may specify the Floor Price in the RHP or advertise the Floor Price at least 1 (one) Working Day prior to the Bid/ Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the allotment may be done on a proportionate basis. Further, the company may place a cap either in terms of number of specified securities or percentage of issued capital of the Company that may be allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/ or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Syndicate member(s)/ SCSB and/ or Registered Broker or RTAs or DPs.

Applicants may submit an Application Form either in physical form to the Syndicate member(s) or Registered Brokers or RTAs or DPs or the Designated Branches of the SCSBs or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only (“ASBA Account”). The Application Form is also made available on the websites of the Stock Exchanges at least 1 (one) day prior to the Bid/ Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/ Applicants may refer to the relevant chapter of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The allotment of Equity Shares to Bidders/ Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/ Applicants may refer to RHP/ Prospectus. No Retail Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The company is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Portion at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Portion at or above the Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot ("Maximum RII Allottees"). The Allotment to the RIIs will then be made in the following manner:

- (a) In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Portion shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).
- (b) In the event the number of RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (in that category) who will then be allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, allotment may be made on a proportionate basis upto a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/ Applicants may refer to the SEBI ICDR Regulations, 2009 or RHP / Prospectus. Bids received from QIBs bidding in the QIB Portion (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Portion may be available for allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

- (a) In the first instance allocation to Mutual Funds for upto 5% of the QIB Portion may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds may be done on a proportionate basis for upto 5% of the QIB Portion; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds may get full allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for allotment to all QIBs as set out at paragraph 7.4(b) below;
- (b) In the second instance, allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Portion, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for upto 95% of the QIB Portion; (ii) Mutual Funds, who have received allocation as per (a)

above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

- (a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the company subject to compliance with the following requirements:
- (i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
 - (ii) Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
 - (iii) Allocation to the Anchor Investors shall be on a discretionary basis, and subject to:
 - where allocation in the Anchor Investor Portion is upto ₹ 10 crores, maximum of 2 (two) Anchor Investors;
 - where the allocation under the Anchor Investor Portion is more than ₹ 10 crores but upto ₹ 250 crores, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹ 5 crores per Anchor Investor; and
 - where the allocation under the Anchor Investor portion is more than ₹ 250 crores: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto ₹ 250 crores; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹ 250 crores million or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹ 5 crores per Anchor Investor.
- (b) A physical book is prepared by the Registrar on the basis of the Bid cum Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the company in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- (c) In the event that the Issue Price is higher than the Anchor Investor Issue Price: Anchor Investors will be sent a revised CAN within 1 (one) day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors
- (d) In the event the Issue Price is lower than the Anchor Investor Issue Price: Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Company may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

- (a) Bidders may be categorized according to the number of Equity Shares applied for;
- (b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

- (c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;
- (d) In all Bids where the proportionate allotment is less than the minimum bid lot decided per Bidder, the allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Company;
- (e) If the proportionate allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all bidders in such categories may be arrived at after such rounding off; and
- (f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the Escrow Collection Bank shall transfer the funds represented by allocation of Equity Shares to Anchor Investors (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Offer Account with the Banker to the Offer. The balance amount after transfer to the Public Offer Account shall be transferred to the Refund Account. Payments of refund to the Bidders shall also be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Offer Account.
- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Company shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/ Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/ Applicants who have been Allotted Equity Shares in the Issue.

- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

Company will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/ Applicants Depository Account will be completed within 6 (six) Working Days of the Bid/ Issue Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Company may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 (six) Working Days of the Bid/ Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 (six) Working Days of the Bid/ Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

A Company makes an application to the Stock Exchange(s) for permission to deal in/ list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/ Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/ Prospectus with which the Basis of Allotment may be finalised.

If the Company fails to make application to the Stock Exchange(s) and obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Company may be punishable with a fine which shall not be less than ₹ 5 lakhs but which may extend to ₹ 50 lakhs and every officer of the Company who is in default shall be punishable with imprisonment for a term which may extend to 1 (one) year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 300,000 , or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Company may forthwith repay, without interest, all moneys received from the Bidders/ Applicants in pursuance of the RHP/ Prospectus.

If such money is not repaid within the prescribed time after the Company becomes liable to repay it, then the Company and every director of the Company who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/ Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Net Offer (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/Offer Closing Date and repay, without interest, all moneys received from Anchor Investors. In case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay or unblock the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of 15 Working Days, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Company may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING – Not applicable

In case an Company not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 2009 comes for an Issue under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to allot at least 75% of the Net Issue to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

- (a) **In case of ASBA Bids/ Applications:** Within 6 (six) Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid/ Application and also for any excess amount blocked on Bidding/ Application.
- (b) In the case of Bids from Eligible NRIs, FIIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/ or commission. If so desired, such payments in Indian Rupees may be converted

into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the Bidder/ Applicant on account of conversion of foreign currency.

- (c) In case of Anchor Investors: Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.

In case of Anchor Investors, the Registrar to the Offer may obtain from the depositories, the Bidders/Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Offer, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

Mode of making refunds for Bidders/Applicants other than ASBA Bidders/Applicants (Anchor Investors)

The payment of refund, if any, may be done through various modes as mentioned below:

- (a) **NECS** - Payment of refund may be done through NECS for Bidders/Applicants having an account at any of the centres specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder/Applicant as obtained from the Depository;
- (b) **NEFT** - Payment of refund may be undertaken through NEFT wherever the branch of the Bidders/Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Bidders/Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Bidders/Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- (c) **Direct Credit** - Bidders/Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (d) **RTGS** - Bidders/Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS. The IFSC code shall be obtained from the demographic details. Anchor Investors should note that on the basis of PAN of the applicant, DP ID and beneficiary account number provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders/Applicants account details, IFSC code, MICR code and occupation (hereinafter referred to as "Demographic Details"). The bank account details for would be used giving refunds. Hence, Bidders/Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in despatch/ credit of refunds to Bidders/Applicants at their sole risk and neither the BRLMs or the Registrar to the Issue or the Escrow Collection Banks nor the Company shall have any responsibility and undertake any liability for the same; and
- (e) Please note that refunds, on account of our Company not receiving the minimum subscription of 90% of the Offer, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres etc Bidders/Applicants may refer to RHP/Prospectus.

8.3.2 Mode of making refunds for ASBA Bidders/ Applicants

In case of ASBA Bidders/ Applicants, the Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the six Working days of the Bid/Offer Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/Offer Closing Date, if Allotment is not made

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this Red Hering Prospectus may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Bidders/Applicants.
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations.
Anchor Investor Portion	Upto 60% of the QIB Category which may be allocated by the Issuer in consultation with Selling Shareholders and the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors.
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue.
Application Supported by Blocked Amount/ (ASBA)/ASBA	An application, whether physical or electronic, used by Bidders/Applicants to make a Bid authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB.
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder/Applicant.
ASBA Bid	A Bid made by an ASBA Bidder.
ASBA Bidder/Applicant	Prospective Bidders/Applicants in the Issue who Bid/apply through ASBA.
Banker(s) to the Issue/ Escrow Collection Bank(s)/ Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account, in respect of Anchor Investors, may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer.
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue.
Bid	An indication to make an offer during the Bid/Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application.
Bid /Issue Closing Date	The date after which the Syndicate, Registered Brokers and the SCSBs may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Closing Date.
Bid/Issue Opening Date	The date on which the Syndicate and the SCSBs may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Opening Date.
Bid/Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which

	prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Issue Period for QIBs 1 (one) working day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Period
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount.
Bid cum Application Form	The form in terms of which the Bidder/Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus. In case of issues undertaken through the fixed price process, all references to the Bid cum Application Form should be construed to mean the Application Form.
Bidder/Applicant	Any prospective investor who makes a Bid pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean an Bidder/Applicant.
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, in terms of which the Issue is being made.
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms/Application Form to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
BRLM(s)/ Book Running Lead Manager(s)/Lead Manager/ LM	The Book Running Lead Manager to the Issue as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM.
Business Day	Monday to Friday (except public holidays).
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Cut-off Price	Issue Price, finalised by the Issuer in consultation with the Selling Shareholders and the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price.
DP	Depository Participant.
DP ID	Depository Participant's Identification Number.
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited.
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details.
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by the ASBA Bidders/Applicants applying through the ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) for Anchor Investors from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the fresh Offer may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale.
Designated	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer.

Stock Exchange	
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band.
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoter. For further details Bidder/Applicant may refer to the RHP/Prospectus.
Equity Shares	Equity shares of the Issuer.
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors may Issue cheques or drafts in respect of the Bid Amount when submitting a Bid.
Escrow Agreement	Agreement to be entered into among the Offeror, the Registrar to the Offer the Book Running Lead Manager, the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts and where applicable, remitting refunds of the amounts collected to the Bidders/Applicants (Anchor Investor) on the terms and conditions thereof.
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue.
FCNR Account	Foreign Currency Non-Resident Account.
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form.
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, in terms of which the Issue is being made.
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto.
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
FPO	Further public offering.
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000.
IPO	Initial public offering.
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable.
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable.
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Selling Shareholders and the Book Running Lead Manager(s).
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form.
NECS	National Electronic Clearing Service.
NEFT	National Electronic Fund Transfer.
NRE Account	Non-Resident External Account.
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares.
NRO Account	Non-Resident Ordinary Account.
Net Issue	The Issue less reservation portion.

Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form.
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs, FPIs, QFIs and FVCIs.
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA.
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/ Prospectus through an offer for sale by the Selling Shareholder.
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961.
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the Selling Shareholders and Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and 1 (one) working day in case of FPO, prior to the Bid/ Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation.
Pricing Date	The date on which the Issuer in consultation with the Selling Shareholders and the Book Running Lead Manager(s), finalise the Issue Price.
Prospectus	The prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act, 1956 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information.
Public Offer Account	An account opened with the Banker to the Issue to receive monies from the ASBA Accounts on the Designated Date.
Qualified Foreign Investors or QFIs	Non-Resident investors, other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs, who meet 'know your client' requirements prescribed by SEBI and are resident in a country which is (i) a member of Financial Action Task Force or a member of a group which is a member of Financial Action Task Force; and (ii) a signatory to the International Organisation of Securities Commission's Multilateral Memorandum of Understanding or a signatory of a bilateral memorandum of understanding with SEBI. Provided that such non-resident investor shall not be resident in country which is listed in the public statements issued by Financial Action Task Force from time to time on: (i) jurisdictions having a strategic anti-money laundering/ combating the financing of terrorism deficiencies to which counter measures apply; (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the Financial Action Task Force to address the deficiencies
QIB Portion	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis.
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009.
RTGS	Real Time Gross Settlement.
Red Herring Prospectus/ RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least 3 (three) days before the Bid/Issue Opening Date and may become a Prospectus upon filing with the RoC

	after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus.
Refund Account(s)	The account opened with Refund Bank(s), from which refunds (refunds to Anchor Investors), if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Offeror.
Refunds through electronic transfer of funds	Refunds through ASBA, as applicable.
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate.
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form.
Reserved Category/ Categories	Categories of persons eligible for making application/bidding under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations.
Retail Individual Investors / RIIs	Investors who applies or bids for a value of not more than ₹ 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Bidders in an issue through Book Building process to modify the quantity of Equity Shares and/or bid price indicates therein in any of their Bid cum Application Forms or any previous Revision Form(s).
RoC	The Registrar of Companies.
RTAs	Registrars to an Issue and Share Transfer Agents.
RTAs/DPs Bidding Centres	RTAs/DPs bidding centres, where Bidders/Applicants can submit the Bid cum Application Forms/Application Form to Registrars to an Issue and Share Transfer Agents (RTAs) and Depository Participants (DPs) registered with SEBI. The details of such RTAs/DPs bidding centres, along with their names and contact details are available on the websites of the Stock Exchanges.
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992.
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Specified Locations	Refer to definition of Broker Centers.
Stock Exchanges/ SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed.
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member.
Syndicate Agreement	The agreement to be entered into among the Issuer, the Selling Shareholders and the Syndicate in relation to collection of the Bids in this Issue (excluding Bids from ASBA Bidders/Applicants). directly submitted to SCSBs).
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the RHP/Prospectus.
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s).
Underwriting Agreement	The agreement amongst the Issuer, the Selling Shareholders and the Underwriters to be entered into on or after the Pricing Date.
Working Day	All days other than 2 nd & 4 th Saturday of the month a Sunday or a public holiday on which commercial banks in Mumbai are open for business, except with reference to announcement of Price Band and Bid/Issue Period, where working day shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India.

SECTION IX – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

The Articles of Association of Advanced Enzyme Technologies Limited (the “Company”) comprise of two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other. In case of inconsistency between Part A and Part B, the provisions of Part B shall be applicable, however, Part B shall automatically terminate and cease to have any force and effect from the date of listing of shares of the Company on a stock exchange in India pursuant to an initial public offering of the Equity Shares of the Company without any further action by the Company or by the shareholders.

PART A

CONSTITUTION OF THE COMPANY

Table ‘F’ Not to Apply

1. (a) The regulations contained in the Table marked “F” in Schedule I of the Companies Act, 2013 (hereinafter called the Act or the said Act) shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.

Company To Be Governed By These Articles

- (b) The regulations for the management of the Company and for the observance of the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed or permitted by Section 14 of the Act, be such as are contained in these Articles.

INTERPRETATION

Headings Not Authoritative

2. (A)(a) The headings used in these Articles shall not affect the construction hereof.

Interpretation Clause

- (b) In the Interpretation of these Articles, the following expressions shall have the following meanings, unless repugnant to the subject or context :

“The Company” or “This Company”

- (c) “The Company” or “This Company” means **ADVANCED ENZYME TECHNOLOGIES LIMITED “LIMITED”**, Public Company incorporated under the Companies Act, 1956.

“The Act” or “The said Act”

- (d) “The Act” or “The said Act” means the Companies Act, 2013 (Act 18 of 2013) the rules, notifications, clarifications, circulars and orders issued thereunder and subsequent amendments thereto or any statutory modifications or re-enactments thereto or any statutory modifications or re-enactments thereof for the time being in force.

“Affiliate”

- (e) “Affiliate” means, in relation to any Person, any entity Controlled, directly or indirectly, by that Person, or any entity that Controls, directly or indirectly, that Person, or any entity under common Control with that Person;

“Annual Business Plan”

- (f) “Annual Business Plan” means the region-wise annual revenue plan and the annual project plan comprising, *inter alia*, the projected growth plan and the detailed expenditure and investment plan for the relevant Financial Year;

“Applicable Law”

- (g) “Applicable Law” means all applicable laws, bye-laws, statutes, rules, regulations, orders, ordinances, notifications, protocols, treaties, codes, guidelines, policies, notices, directions, writs, orders, decisions, injunctions, judgments, awards, decrees or other requirements or official directive of any court of competent authority or of any competent Governmental Authority, including any International Trade Governmental Authority, the Securities and Exchange Board of India, or Person acting under the authority of any competent Governmental Authority of the Republic of India, including any International Trade Governmental Authority, rules of any stock exchanges and Indian GAAP or any other generally accepted accounting principles.

“Alter” And “Alteration”

- (h) “Alter” and “Alteration” shall include the making of additions and omissions;

“Annual General Meeting”

- (i) “Annual General Meeting” means a general meeting of the members held in accordance with the provisions of Section 96 of the Act and adjourned holding thereof;

“Articles”

- (j) “Articles” means the Articles of Association of the Company as originally framed or as altered from time to time;

“Auditors”

- (k) “Auditors” means and includes those persons appointed as such for the time being by the Company;

“Beneficial Owner”

- (l) “Beneficial Owner” shall mean the beneficial owner as defined in Clause (a) of sub-section (l) of Section 2 of the Depositories Act, 1996;

“Board” or “Board of Directors”

- (m) “Board” or “Board of Directors” mean a meeting of the Directors duly called and constituted, or as the case may be, the Directors assembled at a Board either in person or through electronic mode, or the requisite number of Directors assembled at a Board either in person or through electronic mode, or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles, or the Directors of the Company collectively;

“Body Corporate” or “Corporation”

- (n) “Body Corporate” or “Corporation” includes a Company incorporated outside India but does not include:
- (i) a co-operative society registered under any law relating to co-operative societies; and
 - (ii) any other body corporate (not being a Company as defined in the Act) which the Central Government may, by notification in the Official Gazette, specify in this behalf;

“Capital”

- (o) “Capital” means the Share Capital for the time being raised or authorized to be raised, for the purpose of the Company;

“Charter Documents”

- (p) “Charter Documents” means the Memorandum of Association and the Articles of Association of the Company;

“Company”

- (q) “Company” means “**ADVANCED ENZYME TECHNOLOGIES LIMITED**” a public company incorporated under the Companies Act, 1956;

“Controlling”, “Controlled by” or “Control”

- (r) “Controlling”, “Controlled by” or “Control” with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person whether through the ownership of voting securities, by agreement or otherwise, or the power to elect more than one-half of the directors, partners or other individuals exercising similar authority with respect to such Person;

“Corporation”

- (s) “Corporation” shall include a Company whether incorporated and formed under the Act or not;

“Debentures”

- (t) “Debentures” include debenture-stock, bonds and other instruments of the Company evidencing debt, whether constituting a charge on the assets of the Company or not;

“Depository”

- (u) “Depository” shall mean a depository as defined in Clause (e) of the Sub-section (I) of Section of the Depository Act, 1996;

“Directors”

- (v) “Directors” means the Directors for the time being of the Company or, as the case may be, the Directors assembled at a meeting of the Board either in person or through electronic mode or acting by Circular Resolution under the Articles;

“Dividend”

- (w) “Dividend” includes any interim dividend;

“Document”

- (x) “Document” includes summons, notice, requisition order, declaration form and registers, whether issued, sent or kept in pursuance of this or any other law for the time being in force or otherwise, maintained on paper or in electronic form;

“Equity Shares”

- (y) “Equity Shares” mean the equity shares of the Company, having a face value of Rs. 10 (Rupees Ten) each;

“Extraordinary General Meeting”

- (z) “Extraordinary General Meeting” means general meeting of the members other than Annual General Meeting duly called and constituted and any adjourned holding thereof;

“Financial Year”

- (aa) “Financial Year” shall mean a period of Twelve Months commencing from 1st April of any Calendar Year and ending on 31st March of the Next Calendar Year;

“Financial Statements”

- (ab) “Financial Statements” shall mean, the financial statements of the Company prepared in accordance with Applicable Law and shall include without limitation, the balance sheet as at the end of the financial year and profit and loss account for the financial year, the cash flow statement for the financial year, the notes to the financial statements, directors report, the auditor’s report and all disclosures as prescribed in Schedule II of the Act, a statement of changes in equity; and any explanatory note annexed to, or forming part of any of these documents;

“GDRs”

- (ac) “GDRs” means global depository receipts issued by the Company by whatever name called created by foreign depository outside India and authorized by the Company making an issue of such GDRs;

“Gender”

- (ad) Words importing the masculine gender also include, where the context requires or admits, the feminine gender;

“INR or Rs”

- (ae) “INR or Rs” means the Indian Rupees;

“Independent Director”

- (af) “Independent Director” shall mean an independent director as defined in Section 2 (47) of the Companies Act 2013 read with Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (ag) “**Listing Regulations**” shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“Key Managerial Personnel”

- (ah) “Key Managerial Personnel” means the Chief Executive Officer or the Managing Director; the Company Secretary; Whole-Time director; Chief Financial Officer; and such other officer as may be notified from time to time in the Rules.

“Managing Director”

- (ai) “Managing Director” means a Director who by virtue of an Agreement with the Company or of a resolution passed by the Company in general meeting or by its Board of directors or by virtue of its Memorandum or Articles of Association is entrusted with substantial powers of management;

“Meeting” or “General Meeting”

- (aj) “Meeting” or “General Meeting” means a meeting of Members;

“Member”

- (ak) “Member” means (i) the subscriber to the memorandum of the Company who shall be deemed to have agreed to become member of the Company, and on its registration, shall be entered as member in its register of members; (ii) every other person who agrees in writing to become a member of the company and whose name is entered in the register of members of the company; (iii) every person holding shares of the company and whose name is entered as a beneficial owner in the records of a depository;

“Memorandum”

- (al) “Memorandum” means the Memorandum of Association of the Company as originally framed or as altered from time to time;

“Month”

- (am) “Month” means a calendar month;

“National Holiday”

- (an) “National Holiday” means and includes a day declared as national holiday by the Central Government;

“Office”

- (ao) “Office” means the Registered Office for the time being of the Company;

“Ordinary Resolutions”

- (ap) A resolution shall be an ordinary resolution when at a general meeting of which the notice required under the Act has been duly given, the votes cast (whether on a show of hands or on a poll, as the case may be in favor of the resolution (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the resolution by members so entitled and voting;

“Paid-Up Share Capital “or “Share Capital Paid-Up”

- (aq) “Paid-Up Share Capital “or “Share Capital Paid-Up” means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid-up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the Company, but does not include any other amount received in respect of such shares, by whatever name called;

“Person”

- (ar) “Person” includes any individual, partnership, corporation, company, Governmental Authority, unincorporated organization, association, trust or other entity (whether or not having a separate legal entity);

“Plural Number”

- (as) Words importing the plural number also include, where the context requires or admits, the singular number, and vice-versa;

“Proxy”

- (at) “Proxy” include attorney duly constituted under the power of attorney;

“Register of Members”

- (au) “Register of Members” means the Register of Members to be kept, pursuant to the Act maintained on paper or in electronic form;

“Registrar”

- (av) “Registrar” means the Registrar of Companies of the State in which the Registered Office of the Company is for the time being situated;

“Regulations” or “The Company’s Regulations”

- (aw) “Regulations” or the Company’s Regulations means the regulations for the time being for the management of the Company;

“Seal”

- (ax) “Seal” means the Common Seal of the Company for the time being;

- (ay) **“SEBI”**

“SEBI” shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.

“Secretary”

- (az) “Secretary” means a Company Secretary within the meaning of Section 2(1) (c) of the Companies Secretaries Act, 1980, and includes any individual possessing the prescribed qualifications and appointed as Secretary of the Company to perform the duties which may be performed by the Secretary under the “Act” and only other ministerial or administrative duties;

“Section” or “Sections”

- (ba) “Section” or “Sections” means a Section of the Act for the time being in force;

“Share”

“Share” means share in the Share Capital of the Company, and includes stock except where a distinction between stock and share is expressed or implied;

“Special Resolution”

- (bb) A Resolution shall be a Special Resolution when –
- (i) the intention to propose the resolution as a special resolution has been duly specific in the notice calling the general meeting or other intimation given to the members of the resolution;

- (ii) the notice required under the Act has been duly given of the general meeting; and
- (iii) the vote cast in favor of the resolution (whether on a show of hands, or no a poll, as the case may be) by members who, being entitled so to do vote in person, or where proxies are allowed by proxy, are not less than three times the numbers of the votes, if any, cast against the resolution by members so entitled and voting.

“These Presents”

- (bc) “These Presents” means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time;

“Variation” and “Vary”

- (bd) “Variation” shall include abrogation and “Vary” shall include abrogate;

“Written” and “In Writing”

- (be) “Written” and “In Writing” include printing, lithography and any other mode or modes of representing or reproducing words in a visible form or partly one and partly the other;

“Year” and “Financial Year”

- (bf) “Year” means a calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2(41) of the Act;

“Expression in the Act to bear the same meaning in Articles”

- (B) Save as aforesaid, any words or expressions defined in the Act shall, where the subject or context bids, bear the same meaning in these Articles.

Copies Of Memorandum and Articles to be Furnished by the Company

3. Pursuant to Section 17 of the Act, Company shall, on being so required by a member, send to him within 7 (seven) days of the requirement and subject to the payment of a fee of Rs. 100/- or such other fee as may be specified in the applicable Rules, a copy of each of the following documents, as in force for the time being:
 - (i) The Memorandum;
 - (ii) The Articles, if any;
 - (iii) Every other agreement and every resolution referred to in Section 117(1), of the Act, if and in so far as they have not been embodied in the Memorandum or Articles.

Company’s Funds may not be Applied in Purchase of or Lent for Shares of the Company

4.
 - (a) The Company shall not have the power to buy its own shares, unless the consequent reduction of capital is effected and sanctioned in pursuance of Sections 100 to 104 or Section 402 of the Companies Act, 1956 or Section 66 of the Companies Act, 2013 as applicable at the time of application.
 - (b) The Company shall not give, whether directly or indirectly and whether by means of a loan, guarantee the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company or in its holding Company.

Provided that nothing in this clause shall be taken to prohibit:

- (i) the provision by the Company, in accordance with any scheme approved by the Company through special resolution for the time being in force, of money for the purchase of, or subscription for fully paid shares in the Company or its holding company, being a purchase or subscription by trustees of, or for shares to be held by or for the benefit of employees of the Company, including any Director holding a salaried office or employment in the Company; or
- (ii) the making by the Company of loans, within the limit laid down in Sub-Section (3)(c) of Section 67 of the Act, to persons (other than Directors or Key Managerial Personnel) bonafide in the

employment of the Company, with a view to enabling those persons to purchase or subscribe for fully paid shares in the Company or its holding Company to be held by themselves by way of beneficial ownership.

- (c) No loan made to any person in pursuance of clause (b) of the foregoing proviso shall exceed in amount, his salary or wages at that time for a period of six months.
- (d) Nothing in this Article shall affect the right of the Company to redeem any shares issued under this Act or under any previous Company Law.

5. Notwithstanding anything contained in the Articles, but subject to the provisions of Sections 68, 69 and 70 and other applicable provisions, if any, of the Act as amended from time to time and subject to such regulations, conditions, approvals or consents as may be laid down for the purpose, the Company shall have the power to buy-back its own securities, whether or not there is any consequent reduction of capital. If and to the extent permitted by law, the Company shall have the power to re-issue the securities so bought back.

Share Capital and Variation of Rights

6. (a) The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in clause V of the Memorandum each with power to consolidate, increase, reduce, subdivide the capital for the time being and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, cumulative, convertible, preference, guaranteed, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, alter, modify, amalgamate or abrogate any such rights, privileges or conditions in such a manner as may for the time being be provided for by the Articles of Association of the Company or by the law in force for the time being.
- (b) Subject to the rights of the holders of any other shares entitled by the terms of issue to preferential repayment over the equity shares in the event of winding up of the Company, the holders of the equity shares shall be entitled to be repaid the amounts of capital paid up or credited as paid up on such equity shares and all surplus assets thereafter shall belong to the holders of the equity shares in proportion to the amount paid up or credited as paid-up on such equity shares respectively at the commencement of the winding up.
- (c) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 48 of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

Increase of Capital

7. The Company may from time to time in general meeting increase its share capital by the issue of new shares of such amounts as it thinks expedient.

On what Conditions the New Shares may be Issued

- (a). Subject to the provisions of Section 43 to 47, 55 and 62 of the Act, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto by the general meeting creating the same as shall be directed and if no direction be given then as the Directors shall determine and in particular such shares may be issued subject to the provisions of the said Sections with a preferential or qualified right to dividends and in distribution of assets of the Company and subject to the provisions of Companies Act with special right of voting and subject to provisions of Section 55 of the Act any preference shares may be issued on the terms that they are or at the option of the Company are liable to be redeemed.

Further Issue of Capital

- (b) Where at any time it is proposed to increase the subscribed capital of the Company by allotment of further shares, whether out of unissued share capital or out of the increased share capital.

- (i) such further shares shall be offered to the person who at the date of offer, are holders of the equity shares of the Company, in proportion as nearly as circumstances admit, to the capital paid up on those shares at that date.
- (ii) the offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than 15 days and not exceeding 30 days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
- (iii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor of any other person and the notice shall contain a statement of this right.
- (iv) After the expiry of the time specified in notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as they think most beneficial to the Company and members.
- (v) Notwithstanding anything contained in the preceding sub-clause, the Company may:
 - (a) by a special resolution offer further shares to any person or persons, and such person or persons may or may not include the person/s who at the date of the offer, are the holders of the equity shares of the Company or to employees of the Company under the Scheme of employees stock option; or
 - (b) Notwithstanding anything contained in sub-clause (a) above, but subject, however, to section 62(3) of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares, or to subscribe for shares in the Company.

Directors may Allot Shares otherwise than for cash

- (c) Subject to the provisions of the Act and these Articles, the Directors may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or, machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid up or partly paid up otherwise than in cash, and if so issued, shall be deemed to be fully paid up or partly paid up shares as the case may be.

Same as Original Capital

- (d) Except so far as otherwise provided by the conditions of issue or by these presents any capital raised by the creation of new shares shall be considered as part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls, installments, transfers, transmission, forfeiture, lien, surrender voting and otherwise.

Power to Issue Redeemable Preference Shares

- 8. (a) Subject to the provisions of Section 55 of the Act, the Company may issue preference shares which are or at the option of the Company are to be liable to be redeemed:

Provided that :

- (i) No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of redemption;
- (ii) no such shares shall be redeemed unless they are fully paid;
- (iii) the premium, if any, payable on redemption shall have been provided for out of the profits of the company or out of the Company's securities premium account before the shares are redeemed;
- (iv) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal

amount of the shares redeemed; and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act, apply as if the capital redemption reserve account were paid up share capital of the Company.

- (b) Subject to the provisions of Section 55 of the Act and subject to the provisions on which any shares may have been issued, the redemption of preference shares may be effected on such terms and in such manner as may be provided in these Articles or by the terms and conditions of their issue and subject thereto in such manner as the Directors may think fit.
- (c) The redemption of preference shares under these provisions by the Company shall not be taken as reducing the amount of its authorized share capital.
- (d) Where in pursuance of this Article, the Company has redeemed or is about to redeem any preference shares, it shall have power to issue shares upto the nominal amount of the shares redeemed or to be redeemed as if those shares had never been issued; and accordingly, the share capital of the Company shall not, for the purpose of calculating the fees payable under Section 403 of the Act, be deemed to be increased by the issue of shares in pursuance of this clause.

Provided that where new shares are issued before the redemption of the old shares, the new shares shall not so far as relates to stamp duty be deemed to have been issued in pursuance of this clause unless the old shares are redeemed within one month after the issue of the new shares. ?

- (e) The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.

9.

Provision in Case of Redemption of Preference Shares

The Company shall be at liberty at any time, either at one time or from time to time as the Company shall think fit, by giving not less than six months' previous notice in writing to the holders of the preference shares to redeem at par the whole or part of the preference shares for the time being outstanding by payment of the nominal amount thereof with dividend calculated upto the date or dates notified for payment (and for this purpose the dividend shall be deemed to accrue and due from day to day) and in case of redemption of part of the preference shares the following provisions shall take effect :

- (a) The shares to be redeemed shall be determined by drawing of lots which the company shall cause to be made at its registered office or at such other place as the Directors may decide, in the presence of one Director at least; and
- (b) Forthwith after every such drawing, the Company shall notify to the shareholder whose shares have been drawn for redemption its intention to redeem such shares by payment at the registered office of the Company or at such other place as the directors may decide at the time and on the date to be named against surrender of the Certificates in respect of the Shares to be redeemed and at the time and date so notified each such shareholder shall be bound to surrender and thereupon the Company shall pay the amount payable to such shareholders in respect of such redemption. The Shares to be redeemed shall cease to carry dividend from the date named for payment as aforesaid. Where any such certificate comprises any shares which have not been drawn for redemption, the Company shall issue to the holder thereof a fresh certificate therefore.
- (c) Subject to the provisions of the Articles, the Company shall be entitled to create and issue further Preference Shares ranking in all or any respects *pari passu* with the preference shares then outstanding. PROVIDED in the event of its creating and/or issuing further preference shares ranking *pari passu* with the Preference Shares then outstanding the Company would do so only with the consent of the holders of not less than three-fourths of the preference shares then outstanding.
- (d) The Redeemable Preference Shares shall not confer upon the holders thereof the right to vote either in person or by proxy at any general meeting of the Company save to the extent and in the manner provided by Section 47 of the Act.
- (e) The rights, privileges and conditions for the time being attached to the Redeemable Preference Shares may be varied, modified or abrogated in accordance with the provisions of these Articles and of the

Act.

Cumulative Convertible Preference Shares

10. Subject to the provisions of the Act and the guidelines issued by the Central Government from time to time under the Provisions of the Act, the Company may issue Cumulative Preference Shares (CCP) in such manner as the Board of Directors of the Company may decide and specifically provide for :
- (i) the Quantum of issue;
 - (ii) the terms of the issue with particular reference to the conversion of CCP into the equity shares of the company;
 - (iii) the rate of cumulative preferential dividend payable on CCP, the voting rights to be attached to CCP and any other terms and conditions which may be attached to the issue of CCP as permissible in law

Reduction of Capital

11. The Company may from time to time by special resolution, subject to confirmation by the Court or Tribunal as applicable and subject to the provision of Sections 52, 55 and 66 of the Act or Section 100 – 104 of the Companies Act, 1956 as applicable at the relevant time reduce its share capital and any Capital Redemption Reserve Account or Premium Account in any manner for the time being authorized by law in particular without prejudice to the generality of the power may be:
- (a) extinguishing or reducing the liability on any of its shares in respect of shares capital not paid up;
 - (b) either with or without extinguishing or reducing liability on any of its shares, cancel paid up share capital which is lost or is unrepresented by available assets; or
 - (c) either with or without extinguishing or reducing liability on any of its shares, pay off any paid up share capital which is in excess of the wants of the Company; and may, if and so far as is necessary, alter its Memorandum, by reducing the amount of its share capital and of its shares accordingly.

Division, Sub-division, consolidation, Conversion and Cancellation of Shares

12. Subject to the provisions of Section 61 of the Act, the Company in general meeting may alter the conditions of its Memorandum as follows, that is to say, it may:
- (a) increase its authorized share capital by such amount as it think expeditiously;
 - (b) consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares. Provided that no consolidation and division which results in changes in the voting percentage of shareholders shall have effect unless it is approved by the Court or Tribunal as applicable
 - (c) sub-divide its shares or any of them into shares of smaller amount than originally fixed by the Memorandum subject nevertheless to the provisions of the Act in that behalf and so however that in the sub-division the proportion between the amount paid and the amount, if any unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and so that as between the holders of the shares resulting from such sub-division one or more of such shares may, subject to the provisions of the sub-division one or more of such shares may, subject to the provisions of the Act, be given any preference or advantage over the others or any other such shares;
 - (d) convert, all or any of its fully paid up shares into stock, and re-convert that stock into fully paid up shares of any denomination;
 - (e) cancel, shares which at the date of passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Modification of Rights

13. If at any time the share capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to any class (unless otherwise provided by the terms of issue of the share of that class) may, subject to the provisions of Section Sections 106 and 107 of the Companies Act, 1956 or Section 48 of the Act (as applicable) and whether or not the Company is being wound up, be varied, modified, commuted, affected or abrogated with the consent in writing of the holders of three-fourth in nominal value of the issued shares of that class or with the sanction of a Special Resolution passed at separate general meeting of the holders of the shares of that class. This Article shall not derogate from any power which the Company would have if this Article were omitted. The Provisions of these Articles relating to general meeting shall *mutates mutandis* apply to every such separate meeting but so that if at any adjourned meeting of such holders a quorum as defined in Article 101 is not present, those persons who are present shall be the quorum.

14. **CONVERSION OF SHARES INTO STOCK**

The Board may, pursuant to Section 61 of Act, with the sanction of a General Meeting, convert any paid up share into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth, transfer their respective interests therein or any part of such interest in the same manner as and subject to the same regulations, under which fully paid up share in the capital of the Company may be transferred or as near thereto as circumstances will admit, but the Board may, from time to time if it thinks fit, fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, power nevertheless at their discretion to waive such rules in any particular case. Notice of such conversion of shares into stock or reconversion of stock into shares shall be filed with the Registrar of Companies as provided in the said Act.

15. **RIGHTS OF STOCK-HOLDERS**

The stock shall confer on the holders thereof respectively the same privileges and advantages, as regards participation in profits and voting at meetings of the Company and for other purposes, as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which such stock was converted but no such privileges or advantages, except the participation in profits of the Company or in the assets of the Company on a winding up, shall be conferred by any such equivalent part of, consolidated stock as would not, if existing in shares, have conferred such privileges or advantages. No such conversion shall affect or prejudice any preference or other special holders of the share and authenticated by such evidence (if any) as the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to shares and the words “share” and “shareholder” in these presents shall include “stock” and “stock-holder”.

SHARES AND CERTIFICATES

Issue of Further Shares not to Affect Right of Existing Shareholders

16. The right or privileges conferred upon the holders of the shares of any class issued with preference or other rights, shall not unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied or modified or affected by the creation or issue of further shares ranking *pari passu* therewith.

Provisions of Section 43, 45, 46 and 47 of the Act to apply

17. The provisions of Section 43, 45, 46 and 47 of the Act in so far as the same may, be applicable shall be observed by the Company.

Register of Members and Debenture holders

18. (a) The Company shall cause to be kept a Register of Members and an Index of Members in accordance with Section 88 of the Act and Register and Index of Debenture holders in accordance with Section 88 of the Act. The Company may also keep foreign Register of Members and Debenture holders in accordance with Section 88 of the Act.
- (b) The Company shall also comply with the provisions of Sections 92 of the Act as to filing of Annual Returns.
- (c) The Company shall duly comply with the provisions of Section 94 of the Act with regards to keeping

of the Registers, indexes, copies of Annual Returns and giving inspections thereof and furnishing copies thereof.

Commencement of Business

19. The Company shall comply with the provisions of Section 11 of the Act.

Restriction on Allotment

20. The Board shall observe the restriction as to allotment of shares to the public contained in Section 39 of the Act shall cause to be made the return as to allotment provided for in Section 39 of the Act.

Shares to be Numbered Progressively and no share to be subdivided

21. The shares in the capital shall be numbered progressively accordingly to the several denominations and except in the manner herein before mentioned no share shall be subdivided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

22. **Dematerialised Shares**

Notwithstanding anything contained herein, in the case of transfer of shares or other marketable securities where the Company has not issued any Certificates and where such shares or other marketable securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 shall apply. Further, the provisions relating to progressive numbering shall not apply to the shares of the Company which have been dematerialised.

Shares at the Disposal of the Directors

23. Subject to the provisions of Section 62 of the Act and these Articles the shares in the Capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons. In such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 53 of the Act) at a discount and at such time as they may from time think fit and with the sanction of the Company in General Meeting to give to any person the option to all for any shares either at par or at a premium during such time and for such consideration as the Directors may think, fit, and may issue and allot shares in the Capital of the Company on payment in full or part for any property sold and transferred or for services rendered to the Company in the conduct of its business, and any shares which may be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.

Every Shares Transferable etc.

24. (i) The shares or other interest of any member in the Company shall be movable property, transferable in the manner provided by these Articles.
- (ii) Each share in the Company shall be distinguished by its appropriate number.
- (iii) A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be, *prima facie*, evidence of the title of the member of such shares.

Application of Premium Received on Issue of Shares

25. (a) Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of value of the premium on these shares shall be transferred to an account to be called "the securities premium account", and the provisions of the Act relating to the reduction of the Share Capital of the Company shall except as provided in this Article, apply as if the securities premium account were paid up share capital of the Company.
- (b) The securities premium account may, notwithstanding, anything in clause (a) above, be applied by the Company:
- (i) In paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares;
- (ii) In writing off the preliminary expenses of the Company;

- (iii) In writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company; or
- (iv) In providing for the premium payable on the redemption of any redeemable preference shares or any debentures of the Company;
- (v) For the purchase of its own shares or other securities as provided under Section 68 of the Act.

Sale of Fractional Shares

26. (i) If and wherever, as the result of issue of new or further shares or any consolidation or sub-division of shares, any shares are held by members in fractions, the Directors shall, subject to the provisions of the Act and these Articles if any, sell those shares, which members hold in fractions, for the best price reasonably obtainable and shall pay and distribute to and amongst to members entitled to such shares in due proportion, the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Directors may authorize any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see the applications of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- (ii) The Board shall have power to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions.

Acceptance of Shares

27. An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose names is on the Register of Members shall for the purpose of these Articles be a member. The Directors shall comply with the provisions of Section 39 and 40 of the Act in so far as they are applicable.

Deposits and Calls etc. to be a Debt Payable immediately

28. The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them, immediately, on the insertion of the name of the holder of such shares, become a debt, due to and recoverable by the Company from the Allottee thereof, and shall be paid by him accordingly.

Company not Bound to Recognize any Interest in Shares other than of Registered Holder

29. Save as herein provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share as the absolute owner thereof, and accordingly shall not (except as ordered by a Court of competent jurisdiction or as by law required) be bound to recognize any benami, or partial or other claim or claims or right to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof and the provision of Section 88 of the Act shall apply.

Declarations of Person not Holding Interest in Shares

30. When any declaration is filed with the Company under the provisions of Section 89 of the Act by any holder of shares who does not hold beneficial interest in such shares specifying the particulars of the person holding beneficial interest in such shares or by a person who holds beneficial interest in any shares of the Company but is not the registered holder thereof, the Company shall make a note of such declaration in its register of members and file, within 30 days from the date of receipt of the declaration by it, a return with the registrar with regard to such declaration.

Issue of Certificates of Shares to be Governed by Section 46 of the Act etc.

31. (a) The issue of certificates of shares or of duplicate or renewal of certificates of shares and/or advices/certificates issued upon sub-division, split, consolidation and exchanges shall be governed by the provisions of Section 46 and other provisions of the Act, as may be applicable and by the Rules or notifications or orders, if any, which may be prescribed or made by competent authority under the Act

or Rules or the as well as the Listing Regulations, as may be applicable or any other law. The Directors may also comply with the provisions of such rules or regulations of any stock exchange where the shares of the Company may be listed from the time being.

- (b) The Certificate of title of shares shall be issued under the Seal of the Company and shall be signed by such Directors or Officers or other authorized persons as may be prescribed by Rules made under the Act from time to time and subject thereto shall be signed in such manner and by such persons as the Directors may determine from time to time.
- (c) The Company shall comply with all rules and regulations and other directions which may be made by any competent authority under Section 46 of the Act and the Listing Regulations.

Limitation of Time of Issue of Certificate

- 32. (a) Every member shall be entitled, without payment, to one Certificate for all the shares of each class or denomination registered in his name, or after payment of such fees as the Board may approve, to several certificates, each for one or more of such shares and the Company shall complete and deliver such Certificates within the time provided by Section 56 of the Act or the Listing Regulations, as may be applicable, unless the conditions of issue thereof otherwise provide. Every Certificate of shares shall be under the Seal of the Company and shall specify the number and distinctive numbers of the shares in respect of which it is issued and the amount paid up thereon and shall be in such form as the Directors shall prescribe or approve provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one Certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holders.
- (b) The Company may not entertain any application for split of share/debenture certificate for less than 100 shares/debentures (all relating to the same series) or marketable lots whichever is lower.
- (c) Notwithstanding anything contained in Clause (a) above the Directors shall, however, comply with such requirements of the Stock Exchange where shares of the Company may be listed or such requirements of any rules made under the Act or such requirements of the Securities Contracts (Regulation) Act, 1956 as may be applicable.

Issue of new Certificates in Place of one defaced Lost or Destroyed

- 33. If any certificate be worn out, defaced, mutilated or torn if there be no, further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu, thereof, and if any certificate be lost or destroyed then upon proof thereof to the satisfaction of the Company and on; execution of such indemnity as the Company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every Certificate under this Article shall be issued without payment of fees. Out of pocket expenses incurred by the Company in investigating the evidence as to the loss or destruction shall be paid to the Company if demanded by the directors.

Provided that notwithstanding what is stated above the directors shall comply with such Rules or Regulation or requirements of any stock Exchange including the Listing Regulations or the Rules made under the Act or the Rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, on Rules applicable in this behalf.

The provisions of the Article under this heading shall *mutatis mutandis* apply to debentures of the Company.

UNDERWRITING COMMISSION AND BROKERAGE

Power to pay Certain Commission and Prohibition of Payment of All other Commission, Discounts etc.

- 34. (A). The company may pay commission to any person in connection with the subscription or procurement of subscription to its securities, whether absolute or conditional, subject to the following conditions, namely: -
 - (a) the payment of such commission shall be authorized in the company's articles of association;

- (b) the commission may be paid out of proceeds of the issue or the profit of the company or both;
 - (c) the rate of commission paid or agreed to be paid shall not exceed, in case of shares, five percent of the price at which the shares are issued or a rate authorised by the articles, whichever is less, and in case of debentures, shall not exceed two and a half per cent of the price at which the debentures are issued, or as specified in the company's articles, whichever is less;
 - (d) the prospectus of the company shall disclose—
 - (i) the name of the underwriters;
 - (ii) the rate and amount of the commission payable to the underwriter; and
 - (iii) the number of securities which is to be underwritten or subscribed by the underwriter absolutely or conditionally. Lieu of Prospectus and filed before the payment of the commission with the Registrar and where a circular or notice not being a prospectus inviting subscription for the shares or debentures is issued is also disclosed in that circular or notice;
 - (e) there shall not be paid commission to any underwriter on securities which are not offered to the public for subscription;
- (B) Save as aforesaid and save as provided in Section 53 of the Act, the Company shall not allot any of its shares or debentures or apply any of its moneys, either directly or indirectly, in payment of any commission, discount or allowance, to any person in consideration of :
- (i) his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in, or debentures of the Company or;
 - (ii) his procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any shares in, or debentures of the Company whether the shares, debentures or money be so allotted or applied by, being added to the purchase money of any property acquired by the Company or to the contract price of any work to be executed for the Company, or the money be paid by as the nominal purchase money or contract price, or otherwise.
- (C) Nothing in this Article shall affect the power of the Company to pay such brokerage as it has hereto before been lawful for the Company to pay.
- (D) The commission may be paid or satisfied (subject to the provisions of the Act and these articles) in cash, or in shares, debentures or debenture-stocks of the Company.

CALLS

Directors May Make Calls

35. The Directors may from time to time and subject to Section 49 of the Act and subject to the terms on which any shares/debentures may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by circular resolution) make such calls as they think fit upon the members/debenture-holders in respect of all moneys unpaid on the shares/debenture held by them respectively and each member/debenture holder shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors. A call may be made payable by installments as may be decided by the Board. A call may be postponed revoked as the Board may determine.

Calls To date From Resolution

36. A call shall be deemed to have been made at the time when the resolution of the Directors authorizing such call was passed and may be made payable by members/debenture-holders on a subsequent date to be specified by the Directors.

Notice of Call

37. One month notice in writing shall be given by the Company of every call made payable otherwise than on allotment specifying the time and place of payment provided that before the time of payment of such call, the Directors may by notice in writing to the members/debenture-holders to revoke the same.

Directors may Extend Time

38. The Directors may, from time to time, at their discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members/debenture-holders who on account of residence at a distance or other cause, the Directors may deem fairly entitled to such extension, but no member/debenture holder shall be entitled to such extension, save as a matter of grace and favor.

Sums Deemed to be Calls

39. Any sum, which by the terms of issue of a share/debenture becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share/debenture or by way of premium, shall for the purpose of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified.

Installments on Shares to be Duty Paid

40. If by the condition of allotment of any shares the whole or part of the amount of issue price thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being and from time, shall be the registered holder of the share or his legal representative.

Calls on Shares of the Same Class to be made on Uniform Basis

41. Where any calls for further Share Capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class.

Explanation : For the purpose of this provision, shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

Liability of Joint Holders of Shares

42. The joint holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares.

When Interest on Call or Installment Payable

43. If the sum payable in respect of any call or installment be not paid on or before the day appointed for payment thereof or any such extension thereof, the holder for the time being or allottee of the share in respect of which a call shall have been made or the installment shall be due, shall pay interest at ten per cent per annum or at such lower rate as shall be fixed by the Board from the day appointed for the payment thereof or any such extension thereof to the time of actual payment but the Directors may waive payment of such interest wholly or in part.

Partial Payment not to Preclude forfeiture

44. Neither a judgment nor a decree in favor of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of any such payment preclude the forfeiture of such shares as herein provided.

Proof on Trial of Suit for Money due on Shares

45. On the trial or hearing of any action or suit brought by the Company against any member or his legal representative for the recovery of any money claimed to be due to the Company in respect of any shares it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered appears in the Register of Members as the holder or one of the holders, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due, of the shares in respect of which such money is sought to be recovered and that the resolution making the call is duly recorded in the Minutes Book; and that the notice of such call was duly given to the member or his representatives, sued in pursuance of these presents; and it shall not be necessary to

prove the appointment of the Directors who made such calls nor that a quorum of directors was present at the Board at which any call was made, nor that the meeting of which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Payment in Anticipation of Calls may Carry Interest

46. (a) The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same whole or any part of the money due upon the shares held by him, beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, to the member paying such sum in advance and the directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividends . The Directors may at any time repay the amount so advanced.
- (b) The member shall not however be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

The provision of these Articles shall apply *mutatis mutandis* to the calls on debenture of the Company.

LIEN

Company's Lien on Shares/Debentures

47. The Company shall have a first and paramount lien upon all the shares and/or debentures (other than fully paid-up shares and/or debentures) registered in the name of each Member and/or debenture holder (whether held singly or jointly with others) in respect of all moneys called or payable at a fixed time in respect of such shares whether the time for payment thereof shall have actually arrived or not and shall extend to all dividends, interest right and bonuses from time to time declared in respect of such shares and/or debentures. The registration of transfer of shares and/or debentures shall not operate as a waiver of the Company's lien, if any, on such shares and/or debentures, unless otherwise agreed by the Board. The Directors may at any time declare any share and/or debenture wholly or in part exempt from the provisions of this Article.

As to Enforcing Lien by sale

48. For the purpose of enforcing such lien, the Board may sell the shares/debentures subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and/or debenture and may authorize one of their members or appoint any officer or Agent to execute a transfer thereof on behalf of and in the name of such member/debenture holder. No sale shall be made until such period, as may be stipulated by the Board from time to time, and until notice in writing of the intention to sell shall have been served on such member and/or debenture holder or his legal representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.

Application of Proceeds of Sale

49. (a) The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the persons entitled to the shares and/or debentures at the date of the sale.
- (b) The Company shall be entitled to treat the registered holder of any share or debenture as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or by statute or Applicable Law required) be bound to recognize equitable or other claim to, or equitable, contingent, future or partial interest in, such shares (including the fractional part of a shares) or debentures on the part of any other person. The Company's lien shall prevail notwithstanding that it has received notice of any such claims.

FORFEITURE

If Call or Installment not Paid Notice must be given

50. (a) If any member or debenture holder fails to pay the whole or any part of any call or installment or any money due in respect of any share or debentures either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Directors may at any time thereafter, during such time as the call or any installment or any part thereof or other moneys remain unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such member or debenture holder or on the person (if any) entitled to the share by transmission requiring him to pay such call or installment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
- (b) The notice shall name a day not being less than fourteen days from the date of the services of the notice and a place or places, on and which such call, or installment or such part or other moneys as aforesaid and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment of call amount with interest at or before the time and at the place appointed, the shares or debentures in respect of which the call was made or installment or such part or other moneys is or are payable will be liable to be forfeited. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time, thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

In Default of Payment Shares or Debentures to be Forfeited

51. If the requirements of any such notice as aforesaid are not complied with any share/debenture in respect of which such notice has been given, may at any time thereafter before payment of all calls or installments, interest and expenses or other moneys due in respect thereof, be forfeited by a resolution of the Directors to that effect. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company. In respect of the payment of any such money, shall preclude, the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided. Such forfeiture shall include all dividends declared or interest paid or any other moneys payable in respect of the forfeited shares or debentures and not actually paid before the forfeiture.

Entry of Forfeiture in Register of Member/Debenture holders

52. When any shares / debentures shall have been so forfeited, notice of the forfeiture shall be given to the member or debenture holder in whose name it stood immediately prior to the forfeiture and any entry of the forfeiture with the date thereof, shall forthwith be made in the Register of members of debenture holders but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.

Forfeited Share/Debenture to be Property of Company and may be sold

53. Any share or debenture so forfeited shall be deemed to be the property of the Company, and may be sold, re-allotted or otherwise disposed of either to the original holder or to any other person upon such terms and in such manner as the Directors shall think fit.

Power to Annul Forfeiture

54. The Directors may, at any time, before any shares or debentures so forfeited shall have been sold, re-allotted or otherwise disposed of, annul forfeiture thereof upon such conditions as they think fit.

55. **Shareholders or Debenture holders Still Liable to pay Money Owed, at Time of Forfeiture and Interest.**

Any member or debenture holder whose shares of debentures have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, all calls, installments, Interest, expenses and other money owing upon or in respect of such shares or debentures

at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Directors may determine, and the Directors may enforce the payment of the whole or a portion thereof, if they think fit, but shall not be under any obligation to do so. The liability of the member or debenture holder shall cease if and when the Company receives payment in full of all such monies in respect of the shares or debentures.

Effect of Forfeiture

56. The forfeiture of a share or a debenture shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share or debenture and all other rights incidental to the share or debenture, except only such of these rights as by these Articles are expressly saved.

Declaration of Forfeiture

57. A Declaration in writing under the hand of one Director, the manager or the Secretary, of the company, that the call in respect of a share or debenture was made and notice thereof given and that default in payment of the call was made and that a share or debenture in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share shall be conclusive evidence of the facts stated therein as against all persons entitled to such share or debenture.

Validity of Sales under Article 49 and 54

58. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers here in above given, the Directors may, if necessary, appoint some person to execute an instrument of transfer of the shares or debentures sold and cause the purchaser's name to be entered in the Register of members or Register of debenture holders in respect of the shares or debentures sold, and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money and after his name has been entered in the Register of member or debenture holders in respect of such shares or debenture the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be for damages only and against the Company exclusively.

Cancellation of Share/Debenture Certificate in Respect of Forfeited Shares/Debentures

59. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate/s originally issued in respect of the relative shares or debentures shall (unless the same shall on demand by the relative shares or debentures surrendered to it by the defaulting member or debenture holder) stand cancelled and become null and void and be of no effect, and the directors shall be entitled to issue a duplicate certificate/s in respect of the said share or debentures to the person/s entitled thereto.

Title of Purchaser and Allottee of Forfeited Shares/Debentures

60. The Company may receive the consideration, if any, given for the share or debenture on any sale, re-allotment or other disposition thereof, and the person to whom such share or debenture is sold, re-allotted or disposed of may be registered as the holder of the share or debenture and shall not be bound to see to the application of the consideration, if any, nor shall his title to the share or debenture be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the share or debenture.

Surrender of Shares or Debenture

61. The Directors may, subject to the provisions of the Act, accept a surrender of any share or debenture from or by any member or debenture holder desirous of surrendering them on such terms as they think fit.

TRANSFER AND TRANSMISSION OF SHARES AND DEBENTURES

Register of Share or Debenture

62. The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.

Form or Transfer

63. The Instrument of transfer shall be in writing and all the provisions of Section 56 of the Act, shall be duly complied with in respect of all transfer of shares and registration thereof.

Instrument of Transfer to be Executed by Transferor and Transferee

64. Every such instrument of transfer shall be signed both by the Transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of members in respect thereof.

Directors may Refuse to Register Transfer.

65. (a) Subject to the provision of Section 58 of the Act and subject to the provisions of Securities Contract (Regulations) Act, 1956 and the rules and regulations made there under, the Directors may, at their own absolute and uncontrolled discretion, decline by giving reasons to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases Directors shall within 15 days from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares. Moreover, the Directors shall not register a transfer if any statutory prohibition or order prohibits a transfer or when a transferor objects to the transfer. In the event the Company does not effect transfer of securities within the stipulated 15 days or fails to communicate the refusal of the transfer/valid objection to the transfer within 15 days to the transferee, the Company shall compensate the aggrieved party for the opportunity losses caused during the period of delay as specified under the Listing Regulations.
- (b) Nothing in Section 56 of the Act shall prejudice this power to refuse to register the transfer of, or the transmission by operation of law of the rights to, any shares or interest of a member in, or debentures of the Company.

Transfer of Share

66. (a) An application of registration of the transfer of shares may be made either by the transferor or the transferee provided that where such application is made by the transferor, no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee and subject to the provisions of Clause (a) of this Article, the Company shall unless object is made by the transferee, within two weeks from the date of receipt of the notice, enter in the Register of members the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.
- (b) For the purpose of clause (a) above notice to the transferee shall be deemed to have been duly given if sent by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered to him in the ordinary course of post.
- (c) It shall not be lawful for the Company to register a transfer of any shares unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the Certificate relating to the shares and if no such Certificate is in existence, along with the letter of allotment of shares. The Directors may also call for such other evidence as may reasonably be required to show the right of the transferor to make the transfer, provided that where it is proved to the satisfaction of the Directors of the Company that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Directors think fit, on an application in writing made by the transferee and bearing the stamp required by an instrument of transfer register the transfer on such terms as to indemnify as the Directors may think fit.
- (d) Nothing in clause (c) above shall prejudice any power of the Company to register as shareholder any person to whom the right to any share has been transmitted by operation of law.

- (e) Nothing in this Article shall prejudice any power of the Company to refuse to register the transfer of any share.

Custody of Instrument of Transfer

67. The instrument of transfer shall after registration be retained by the Company and shall remain in their custody. All instruments of transfer which the Directors may decline to register; shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company after such period as they may determine in compliance with the applicable law.

Transfer Books and Register of Members when Closed

68. The Board shall have power on giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situated, to close the Transfer books, the Register of members or Register of debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year.

Transfer to Minors etc.

69. Only fully paid shares or debentures shall be transferred to a minor acting through his/her legal or natural guardian. Under no circumstances, shares or debentures be transferred to any insolvent or a person of unsound mind.

Title to Share of Deceased Holder

70. The executors or administrators of a deceased member (not being one or two or more joint holders) or the holder of a Succession Certificate or the legal representative of a deceased member (not being one or two or more joint holders) shall be the only persons whom the Company will be bound to recognize as having any title to the shares registered in the name of such member, and the Company shall not be bound to recognize such executors or administrators or the legal representatives unless they shall first obtained probate or Letters of Administration or a Succession Certificate, as the case may be, from a duly constituted competent court in India, provided that in any case where the Directors in their absolute discretion think fit, the Directors may dispense with the production of probate or Letters of Administration or a Succession Certificate upon such terms as to indemnity or otherwise as the Directors in their absolute discretion may think necessary and under Article 67 register the name of any person who claims to be absolutely entitled to the shares standing in the name of deceased member, as a member.

71. **Nomination by securities holders**

- (1) Any holder of securities of a company may, at any time, nominate, in Form No. SH.13, any person as his nominee in whom the securities shall vest in the event of his death.
- (2) On the receipt of the nomination form, a corresponding entry shall forthwith be made in the relevant register of securities holders, maintained under section 88.
- (3) Where the nomination is made in respect of the securities held by more than one person jointly, all joint holders shall together nominate in Form No.SH.13 any person as nominee.
- (4) The request for nomination should be recorded by the Company within a period of two months from the date of receipt of the duly filled and signed nomination form.
- (5) In the event of death of the holder of securities or where the securities are held by more than one person jointly, in the event of death of all the joint holders, the person nominated as the nominee may upon the production of such evidence as may be required by the Board, elect, either-
 - (a) to register himself as holder of the securities ; or
 - (b) to transfer the securities, as the deceased holder could have done.
- (6) If the person being a nominee, so becoming entitled, elects to be registered as holder of the

securities himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased share or debenture holder(s).

- (7) All the limitations, restrictions and provisions of the Act relating to the right to transfer and the registration of transfers of securities shall be applicable to any such notice or transfer as aforesaid as if the death of the share or debenture holder had not occurred and the notice or transfer were a transfer signed by that shareholder or debenture holder, as the case may be.
- (8) A person, being a nominee, becoming entitled to any securities by reason of the death of the holder shall be entitled to the same dividends or interests and other advantages to which he would have been entitled to if he were the registered holder of the securities except that he shall not, before being registered as a holder in respect of such securities, be entitled in respect of these securities to exercise any right conferred by the membership in relation to meetings of the company: Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the securities, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends or interests, bonuses or other moneys payable in respect of the securities, as the case may be, until the requirements of the notice have been complied with.
- (9) A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of securities who has made the nomination, by giving a notice of such cancellation or variation, to the company in Form No. SH.14.
- (10) The cancellation or variation shall take effect from the date on which the notice of such variation or cancellation is received by the company.
- (11) Where the nominee is a minor, the holder of the securities, making the nomination, may appoint a person in Form No. SH. 14 specified under sub-rule (1), who shall become entitled to the securities of the company, in the event of death of the nominee during his minority.

72.

Dematerialisation of Securities

- i. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Article of these Articles.
 - a. The Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depository Act, 1996.
 - b. Option for Investors: Every holder of or subscriber to securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted, by the law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates for the Securities

If a person opts to hold its Security with a Depository, the Company shall intimate such depository the details of allotment of the Security
 - c. Securities in Depository to be in fungible form:-
 - o All Securities of the Company held by the Depository shall be dematerialised and be in fungible form.
 - o Nothing contained in Sections 88, 89, 112 & 186 of the Companies Act, 2013 shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners.
 - d. Rights of Depositories & Beneficial Owners:-

Notwithstanding anything to the contrary contained in the Act a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.

- e. Save as otherwise provided in (d) above, the depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.
- f. Every person holding Securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a depository.
- ii. Notwithstanding anything contained in the Act to the contrary, where Securities of the Company are held in a depository, the records of the beneficial ownership may be served by such depository to the Company by means of electronic mode or by delivery of floppies or discs.
- iii. Nothing contained in Section 56 of the Companies Act, 2013 shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.
- iv. Notwithstanding anything contained in the Act, where Securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.
- v. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.
- vi. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Section 88 and other applicable provisions of the Companies Act 2013 and the Depositories Act, 1996 with the details of Shares held in physical and dematerialised forms in any media as may be permitted by law including in any form of electronic media.
- vii. The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or Country.

Registration of Persons Entitled to Share Otherwise than by Transfer

73. (a) Subject to the provisions of Article 80 any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these present, may with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such titles as the Directors shall think sufficient, either be registered himself as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares. Provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favor of his nominee on instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be free from any liability in respect of such shares.
- (b) A transfer of the share or other interest in the Company of a deceased member thereof made by his legal representative shall although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.

Claimant to be Entitled to Same Advantage

74. The person entitled to a share by reason of the death lunacy, bankruptcy or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled as if he were registered holder of the shares except that he shall not before being registered as a member in respect of the share, be entitled in respect of it, to exercise any right conferred by membership in relation to the meeting of the Company provided that the Board may at any time give notice requiring any such persons to elect either to be registered himself or to transfer shares and if the notice is not complied within ninety days, the Board shall thereafter withhold payment of all dividends, interests, bonuses or

other moneys payable in respect of the share until the requirements of the notice have been compelled with.

Persons Entitled may Receive Dividend without being Registered as Member

75. (a) A person entitled to a share by transmission shall, subject to the rights of the Directors to retain such dividends, bonuses or moneys as hereinafter provided be entitled to receive, and may give a discharge for any dividends, bonuses or other moneys payable in respect of the share/debenture.
- (b) This Article shall not prejudice the provisions of Article of 49 and 60.

Refusal to Register Nominee

76. Subject to the provisions of Section 59 of the Act, these Articles and other applicable provisions of the Act or any other law for the time being in force, The Directors shall have the same right to refuse on legal grounds to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration. However, the Company must ensure that the transmission requests for processed within 7 days and 21 days for dematerialized and physical securities, respectively.

Directors may require Evidence of Transmission

77. Every transmission of a share shall be verified in such manner as the Directors may require, and the Company may refuse to register any such transmission until the same be so verified or until or unless an Indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.

No Fees on Transfer or Transmission

78. No fee shall be charged for registration of transfer, probate, succession Certificate and Letters of Administration, Certificate of Death or Marriage, Power of Attorney or similar other documents.

The Company not liable for Disregard of a Notice Prohibiting Registration of Transfer

79. The Company shall incur no liability, or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner there or (as shown or appearing in the Register of members) to be prejudice or persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Directors shall so think fit.

Not more than Four Persons as Joint Holders

80. The Company shall be entitled to decline to register more than four persons as the holder of any shares.
- The provisions of these Articles shall *mutatis mutandis* apply to the transfer or transmission by operation of law of debenture of the Company.

Borrowing Powers

83. Subject to the provisions of Section 73, 179, 180 of the Act and of these Articles and subject to any restriction imposed by Reserve Bank of India, Board of Directors, may from time to time at its discretion, by a resolution passed at a meeting of the Board, accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) or upto such amount as may be

approved by the shareholders from time to time the Board of Directors shall not borrow such moneys without the sanction of the Company in General Meeting. No debt incurred by the Company in excess of the limit imposed by this Article shall be paid or effectual unless the tender or proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.

Bonds, Debentures etc. to be subject to control of Directors.

84. Any bonds, debentures, debenture-stocks or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

Provided that bonds, debentures, debenture-stock or other securities so issued or to be issued by the Company with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting.

Power to issue shares at Discount

85. The Company can only issue sweat equity shares at Discount as per Section 54 of the Act.

Debentures with voting rights not to be issued

86. (a) The Company shall not issue any debentures carrying voting rights at any meeting of the Company whether generally or in respect of particular classes of business.
- (b) Certain charges mentioned in Section 77 of the Act shall be void against the liquidators or creditors unless registered as provided in Section 77 of the Act.
- (c) The term 'charge' shall include mortgage in these Articles.
- (d) A contract with the Company to take up and pay for any debentures of the Company may be enforced by a decree or specific performance.

Limitation of Time for Issue of Certificate

87. The Company shall, within six months after the allotment of any of its debentures or debenture-stock, and within one month after the application for the registration of the transfer of any such debentures or debenture stocks have complete and deliver the Certificate of all the debentures and the Certificate of all debenture stocks allotted or transferred unless the conditions of issue of the debentures or debenture-stocks otherwise provide.

The expression 'transfer' for the purpose of this clause means a transfer duly stamped and otherwise valid and does not include any transfer which the Company is for any reason entitled to refuse to register and does not register.

Right to Obtain Copies of and Inspect Trust Deed

88. (i) A copy of any Trust Deed for securing any issue of debentures shall be forwarded to the holders of any such debentures or any member of the Company at his request and within seven days of the making thereof on payment of ₹ 10/- (Rupees Ten) for each Page of the copy of any Trust Deed.
- (ii) The Trust Deed referred to in item (i) above also be open to inspection by any member or debenture holder of the Company in the same manner, to the same extent, and on payment of these same fees, as if it were the Register of members of the Company.

Mortgage of Uncalled Capital

89. If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall, subject to the provisions of the Act and these Articles, make calls on the members in respect of such uncalled capital in trust for the person in whose favor such mortgage or security is executed.

Indemnity May be given

90. If the Directors or any of them or any other person shall become personally liable for the payment of

any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

Registration of Charges

91. (a) The provisions of the Act relating to registration of charges shall be complied with.
- (b) In case of a charge created out of India and comprising solely property situated outside India, the provisions of Section 77 of the Act shall also be complied with.
- (c) Where a charge is created in India but comprised property outside India, the instrument, creating or purporting to create the charge under Section 77 of the Act or a copy thereof verified in the prescribed manner, may be filed for registration, notwithstanding that further proceedings may be necessary to make the charge valid or effectual according to the law of the country in which the property is situated, as provided by Section 77 of the Act.
- (d) Where any charge on any property of the Company required to be registered to be registered under Section 77 of the Act has been so registered, any person acquiring such property or any part thereof or any share or interest therein shall be deemed to have notice of the charge as from the date of such registration.
- (e) Any creditors or member of the Company and any other person shall have the right to inspect copies of instruments creating charges and the Company's Register of Charges in accordance with and subject to the provisions of Section 85 of the Act.

GENERAL MEETINGS

Annual General Meeting

93. Subject to the provisions contained in Section 96 and 129 of the Act, as far as applicable, the Company shall in each year hold, in addition to any other meetings, a general meeting as its annual general meeting, and shall specify, the meeting as such in the notice calling it, and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next.

Time and Place of Annual General Meeting

94. Every annual general meeting shall be called at any time during business hours that is between 9 am to 6 pm, on a day that is not a National Holiday, and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situated, and the notice calling the meeting shall specify it as the annual general meeting.

Powers of Directors to Call Extraordinary General Meeting

96. The Directors may call an extraordinary general meeting of the Company whenever they think fit. If at any time Directors capable of acting who are sufficient in number to form a quorum, are not within India, any Director or any two (2) members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board of Directors.

Calling of Extra Ordinary General Meeting on requisition

97. (a) The Board of Directors of the Company shall on the requisition of such number of members of the Company as is specified in clause (d) of this Article, forthwith proceed duly to call an Extra-ordinary general meeting of the Company.
- (b) The requisition shall set out the matters for the considerations of which the meeting is to be called, shall be signed by requisitioners, and shall be deposited at the registered office of the company.
- (c) The requisition may consist of several documents in like forms, each signed by one or more requisitioners.

- (d) The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold at the date of the deposit of the requisition not less than one tenth of such of the paid up share capital of the Company as at that date carried the right of voting in regard to that matter.
- (e) Where two or more distinct matters are specified in the requisition the provisions of clause (a) above, shall apply separately in regard to each such matter; and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that clause is fulfilled.
- (f) If the Board does not, within twenty one days from the date of deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters then on a day not later than forty five days from the date of the deposit of the requisition, the meeting may be called by the requisitionists themselves within a period of three months from the date of requisition.

Explanation: For the purpose of this clause, the Board shall in the case of a meeting at which Resolution is to be proposed as a special Resolution, be deemed not have duly convened the meeting if they do not give such notice thereof as is required by Section 114 of the Act.

- (g) A meeting, called under Clause (f) above, by the requisitionists or any of them:
 - (i) shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board; but
 - (ii) shall not be held after the expiration of three months from the date of the deposit of the requisition.

Explanation : Nothing in Clause (g) (ii) above, shall be deemed to prevent a meeting only commenced before the expiry of the period of three months aforesaid, from adjourning to some day after the expiry of that period.

- (h) Where two or more persons hold any shares or interest in the Company jointly, requisition, or a notice calling a meeting, signed by one or some of them shall, for the purpose of this Article, have the same force and effect as if it had been signed by all of them.
- (i) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to duly call a meeting shall be repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.

Quorum for Meeting

101. (a) In accordance with Section 103, the quorum for a General Meeting of the Company shall be as under:
- (i) five members personally present if the number of members as on the date of meeting is not more than one thousand;
 - (ii) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but upto five thousand;
 - (iii) Thirty members personally present if the number of members as on the date of the meeting exceeds five thousand.
- (b) (i) If within half an hour from the time appointed for holding a meeting of the Company, a quorum is not present, the meeting, if called upon by requisition of members, shall stand cancelled.
- (ii) In any other case, the meeting shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Board may determine.
- (c) No business shall be transacted at any general meeting unless the requisite quorum be present at the commencement of the business.

Adjourned Meeting to Transact Business

102. (a) If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be the quorum.

- (b) where a resolution is passed at an adjourned meeting of the Company, the resolution shall, for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

Chairman of General Meeting

103. (a) No business shall be discussed or transacted at any general meeting except the election of a Chairman whilst the Chair is vacant.
- (b) (i) The Chairman of the Board of Directors shall be entitled to take the Chair at every general meeting, if there be no Chairman or if at any meeting he shall not be present within 15 (fifteen) minutes after the time appointed for holding such meeting or is unwilling to act, the Director present may choose one of themselves to be the Chairman and in default of their doing so, the members present shall be willing to take the Chair, the members present shall choose one of themselves to be the Chairman.
- (ii) If at any meeting a quorum of members shall be present, and the Chair shall not be taken by the Chairman or Vice-Chairman of the Board or by a Director at the expiration of 15 minutes from the time appointed for holding the meeting or if before the expiration of that time all the Directors shall decline to take the Chair, the members present shall choose one of their members to be the Chairman of the meeting.

Chairman with Consent may adjourn the Meeting

104. The Chairman may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place in the city, town or village where the registered office of the Company is situated.

Business at the Adjourned Meeting

105. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

Notice of Adjourned Meeting

106. In case of adjournment of a meeting or of a change of day, time or place of meeting under, the Company shall give not less than three days' notice to the members..

PROXIES

Proxies

107. (a) Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint any other person (whether a member or not) as his proxy to attend and vote instead of himself. A member (and in case of joint holder, all holders) shall not appoint more than one person as proxy. A proxy so appointed shall not have any right to speak at the meeting.
- (b) A proxy shall not be entitled to vote except on a poll.
- (c) A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights:
- Provided that a member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- (d) In every notice calling a meeting of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and is entitled to appoint a proxy to attend and vote instead of himself, and that a proxy need not be a member.
- (e) The instrument appointing a proxy or any other document necessary to show the validity or otherwise relating to the appointment of a proxy shall be lodged with the Company not less than 48 (forty eight) hours before the meeting in order that the appointment may be effective thereat.

- (f) The instrument appointing a proxy shall :
 - (i) be in writing, and
 - (ii) Be signed by an appointer or his attorney duly authorized in writing or, if the appointer is a body corporate, by under its seal or be signed by an officer or any attorney duly authorized by it.
- (g) Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in usual common form or in such other form as the Directors may approve from time to time.
- (h) An instrument appointing a proxy, if in any of the forms set out in to the Companies (Management and Administration) Rules 2014 shall not be questioned on the ground that it fails to comply with any special requirement specified for such instrument by these Articles.
- (i) Every member entitled to vote at a meeting of the Company, or on any resolution to be moved thereat, shall be entitled during the period beginning 24 (twenty four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged at any time during the business hours of the Company, provided not less than 3 (three) days' notice in writing of the intention so to inspect is given to the Company.
- (j) A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

E-VOTING

108. The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014 or any other Law, if applicable to the Company.

VOTES OF MEMBERS

109. Subject to any rights or restrictions for the time being attached to any class or classes of shares and in the manner prescribed under the Act and the rules made thereunder:
- (a) on a show of hands, every members present in person shall have one vote; and
 - (b) on a poll, the voting rights of members shall be in proportion to the member's share in the paid –up equity share capital of the Company.

Custody of Instrument

117. If any such instrument of appointment be confirmed to the object of appointing proxy or substitute for voting at meeting of the Company, it shall remain permanently or for such time as the Directors may determine in the custody of the Company; , a copy thereof examined with the original, shall be delivered to the Company to remain in the custody of the Company.

Validity of Votes given by Proxy notwithstanding Death of Members etc.

118. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy or of any power of attorney under which such proxy was signed or the transfer of the share in respect of which the votes is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the registered office of the Company before the meeting or adjourned meeting.

Time for Objections for Vote

119. No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote whether given personally or by an agent or proxy or representative not

disallowed at such meeting or poll shall be deemed valid for all purposes or such meeting or poll whatsoever.

Chairman of any Meeting to be the Judge of any Vote

120. (a) No objection shall be raised to the qualification of any voter, except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.
- (b) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision thereon shall be final and conclusive.

Representation of Body Corporate

121. A body corporate (whether a Company within the meaning of the Act or not) if it is a member or creditor (including a holder of debentures) of the Company may in accordance with the provisions of Section 113 of the Act authorize such person by a resolution of its Board of directors as it thinks fit, to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company.

Representation of the President of India or Governors

122. (a) The President of India or the Governor of State if he is a member of the Company may appoint such person as he thinks fit to act, as his representative at any meeting of the Company or at any meeting of any class of members of the Company in accordance with provisions of Section 112 of the Act or any other statutory provision governing the same.
- (b) A person appointed to act as aforesaid shall for the purposes of the Act be deemed to be a member of such a Company and shall be entitled to exercise the same rights and powers (including the right to vote by proxy) as the Governor could exercise, as member of the Company.
- (c) The Company shall observe the provisions of Section 112 of the Act, in regards to the Public Trustee.

Circulation of Members Resolution

123. The Company shall comply with provisions of Section 111 of the Act, relating to circulation of members resolutions.

Special Notice

124. In pursuance of Section 115 of the Act, Where by any provision contained in the Act or in these Articles special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company by such number of members holding not less than one per cent. of total voting power or holding shares on which such aggregate sum not exceeding five lakh rupees, as may be prescribed, has been paid-up, not less than fourteen days before the meeting at which it is to be moved exclusive of the day on which the notice is served or deemed to be served and the day of the meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as it gives notice of the meeting, or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the meeting.

Resolution Passed At Adjourned Meeting

125. The provisions of Section 116 of the Act shall apply to resolution passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company and of the Board of Directors of the Company and the resolution shall be deemed for all purposes as having been passed on the date on which in fact they were passed and shall not be deemed to have been passed on any earlier date.

126. **Registration of Resolutions and Agreements**

The Company shall comply with the provisions of Section 117 of the Act relating to registration of certain resolutions and agreements.

Minutes of Proceedings of General Meeting and of Board and Other Meetings

127. (a) The Company shall cause minutes of all proceedings of general meetings, and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot, entries thereof in books for that purpose with their pages consecutively numbered.
- (b) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed:
- i. in the case of minutes of proceedings of the Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
 - ii. In the case of minutes of proceedings of the general meetings by Chairman of the said meeting within the aforesaid period, of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorized by the Board for the purpose.
- (c) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (e) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- (f) In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes of the meeting,
- (i) the names of the Directors present at the meetings, and
 - (ii) In the case of each resolution passed at the meeting, the names of the Directors, if any, dissenting from or not concurring in the resolution.
- (g) Nothing contained in Clause (a) to (d) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting :
- (i) is, or could reasonably be regarded, as defamatory of any person.
 - (ii) is irrelevant or immaterial to the proceedings; or
 - (iii) is detrimental to the interests of the Company.
- The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusions of any matter in the minutes on the grounds specified in this clause.
- (h) The minutes of meetings kept in accordance with the provisions of Section 118 of the Act shall be evidence of the proceedings recorded therein.

Presumptions to be Drawn where Minutes duly drawn and Signed.

128. Where minutes of the proceedings of any general meeting of the Company or of any meeting of its Board of Directors or of a Committee of the Board have been kept in accordance with the provisions of Section 118 of the act then, until the contrary is proved, the meeting shall be deemed to have been duly called and held, and all proceedings thereat to have duly taken place and in particular all appointments of directors or Liquidators made at the meeting shall be deemed to be valid and the minutes shall be evidence of the proceedings recorded therein.

Inspection of Minutes Books of General Meetings.

129. (a) The books containing the minutes of the proceedings of any general meeting of the Company shall:
- (i) be kept at the registered office of the Company, and
 - (ii) be open, during 11:00 am to 1:00 pm to the inspection of any member without charge and by any other person on payment of fee of Rupees 50/- for each inspection, subject to such reasonable restrictions as the Company may, in general meeting impose.

- (b) Any member shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company, with a copy of any minutes referred to in Clause (a) above, on payment of ₹ 10/- for each page. .

Publication of Reports of Proceedings of General Meetings

130. No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.

Report on annual general meeting.

131. The Company shall prepare a report on each annual general meeting including the confirmation to the effect that the meeting was convened, held and conducted as per the provisions of the Act and the rules made thereunder, and shall file the same with the Registrar within thirty days of the conclusion of the annual general meeting

132. **Management of Subsidiaries and Group Companies**

The Board shall be responsible for compliance with all applicable law, regulations, rules and guidelines as well as the Listing Regulations in relation to the obligation of the Company towards the governance and management of its subsidiaries and group companies.

Managerial Personnel

133. (a) Subject to the provisions of the Act, a chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board of Directors for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- (b) Any provision of the Act or these Articles requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.
- (c) The Company shall duly observe the provisions of Section 196 and Section 203 of the Act regarding prohibition of simultaneous appointment of different categories of managerial personnel therein referred to.

Remuneration of key managerial personnel

134. The remuneration of Key Managerial Personnel shall from time to time, be fixed by the Board and may be by way of salary or commission or participation in profits or by any or all of these modes or in any other form and shall be subject to the limitations prescribed in Schedule V along with Sections 196 and 197 of the Act.

Board of directors

135. Until otherwise determined by the Company in general meeting, the number of Directors shall not be less than 3 (three) and more than 15 (fifteen). The appointment of the Directors exceeding 15 (fifteen) will be subject to the provisions of Section 149 of the Act. The Board shall have the power of appoint the Chairman. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the Listing Regulations.

First Directors

136. The First Directors of the Company are:
1. Mrs. Savita Chandrakant Rathi
 2. Mr. Laxminarayan Chatrabhuj Rathi.

Nominee Director

138. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any Public Financial Institution as defined in Section 2(72) of the Act or so long as any such public financial institution continues to hold debentures in the Company by direct subscription or private placement, or so long as any such public financial institution holds shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by any such public financial institution on behalf of the Company remains outstanding, such public financial institution shall have a right to appoint from time to time, any person or persons or Directors is / are hereinafter referred to as “Nominee Director/s”, on the Board of the Company and to remove from such office any person or persons “so appointed and to appoint any person or persons” in his or their place/s.

The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of such public financial institution such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of such public financial institution such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director(s) shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to such public financial institution or so long as such public financial institution holds Debentures in the Company as a result of direct subscription or private placement or so long as such public financial institution holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of any Guarantee the moneys owing by the Company to such public financial institution is paid off or of furnished by such public financial institution.

The Nominee Director/s appointed under this Article will be entitled to receive all notices of and attend all General Meetings Board Meetings and of the meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings. Such public financial institution shall also be entitled to receive all such notices and minutes.

The Company shall pay to the Nominee Director/s sitting fees and expenses which the other Directors of the Company are entitled but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Directors shall accrue to such public financial institution and the same shall accordingly be paid by the Company directly to such public financial institution. Any expenses that may be incurred by such public financial institution or such Nominee Directors in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to such public financial institution or as the case may be to such Nominee Directors.

Provided that if any such Nominee Director is an officer of such public financial institution the sitting fees, in relation to such Nominee Director shall also accrue to such public financial institution and the same shall accordingly be paid by the Company directly to such public financial institution.

Limit on Number of Non-Retiring Directors

140. Subject to the provisions of Section 152 of the Act, the number of Directors appointed under Articles 137, 138 and 139 shall not exceed in the aggregate one-third of the total number of Directors, excluding Independent Directors, for the time being in office.

141. **Appointment of Independent Director**

Subject to the provisions of Section 149 (6) of the Act, Board of Directors shall have power at any time to appoint any person as an Independent Director to the Board. The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, such appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under Clause

49 of the listing agreement.

142. **Appointment of Whole-Time Director**

Subject to the provisions of Section 152 of the Act, Board of Directors shall have power at any time to appoint any person as an Whole-Time Director to the Board

Appointment of Alternate Director

143. The Board may appoint an alternate Director to act for a Director (hereinafter called “the Original Director”) during his absence for a period of not less than three months from India. An alternative Director so appointed shall not hold office as such for a period longer than that permissible to the Original Director in whose place he had been appointed and shall vacate if and when the Original Director returns to India.

Appointment of Additional Director

144. Subject to the provisions of Section 161 of the Act, Board of Directors shall have power at any time to appoint any person as an additional Director to the Board, but so that the total number of Directors shall not exceed the maximum number fixed by the Articles. Any Director so appointed shall hold the office only upto the next annual general meeting of the Company or the last date on which the annual general meeting should have been held, whichever is earlier and shall then be eligible for reappointment.

145. **Appointment of Women Director**

The Company shall have such number of Woman Director on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable.

Appointment of Director to fill the Casual Vacancy.

146. Subject to the provisions 161 of the Act, the office of any Director appointed by the Company in general meeting is vacated before his term of office expires in the nominal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid but he shall then be eligible for re-election.

Individual Resolution for Director Appointment

147. At a general meeting of the Company a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. Resolution moved in contravention of this article shall be void whether or not objection was taken at the time of its being so moved. Provided that where a resolution so moved is passed no provision for the automotive reappointment of retiring director by virtue of these articles and the Act in default of another appointment shall apply.

Qualification of Director

148. A Director need not hold any shares in the Company to qualify him for the office of a Director of the Company.

Remuneration of Directors

149. (a) Subject to the provisions of Act, a Managing Director or a director who is in the whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by the other.
- (b) Subject to the provisions of the Act, a Director, who is neither in the whole-time employment nor a Managing Director may be paid remuneration either:
- (i) by way of monthly, quarterly or annual payment, or

- (ii) by way of commission if the Company by a special resolution has authorized such payment
- (c) Every Director shall be paid such amount of remuneration by way of fee not exceeding such sum as may be prescribed by the Act or the Central Government from time to time, as may be determined by the Board for each meeting of the Board or Committee thereof attended by him.
- (d) The Board shall recommend the fees/compensation to be paid to non-executive directors including independent directors. Such fees/compensation shall also be approved by the shareholders of the Company in a general meeting. However, such approval will not be required in case of sitting fees paid to non-executive directors which are within the limits prescribed under the Act and for which no Central Government approval is required.

Traveling and Other Expenses

150. The Board may allow and pay to any Director for the purpose of attending a meeting such sum either as fixed allowance and/or actual as the Board may consider fair compensation for traveling, board and lodging and incidental and/or actual out of pocket expenses incurred by such Director in addition to his fees, for attending such meeting to and from the place at which the meetings to and from the place at which the meetings of the Board Committees thereof or general meetings of the Company are held from time to time or any other place at which the Director executes his duties.

Remuneration for Extra Services

151. If any Director, being willing shall be called upon to perform extra services or to take any special exertions for any of the purposes of the Company and in that event the Company may, subject to the provisions of the Act, remunerate such Director either by a fixed sum or by a percentage of profit or otherwise, as may be determined by the Directors but not exceeding that permitted under Section 197 of the Act and such remuneration may be either in addition to or in substitution for his share in the remuneration above provided.

Increase in Remuneration of Directors to require Government Sanction

152. Any provision relating to the remuneration of any Director including the Managing Director or Joint Managing Director or whole time Director or executive Director whether contained in his original appointment or which purports to increase or has the effect of increasing whether directly or indirectly the amount of such remuneration and whether that provisions are contained in the articles or in any agreement entered into by the Board of Directors shall be subject to the provisions of Section 196, 197 and 203 of the Act and in accordance with the conditions specified in Schedule V and to the extent to which such appointment or any provisions for remuneration thereof is not in accordance with the Schedule V, the same shall not have any effect unless approved by the Central Government and shall be effective for such period and be subject to such conditions as may be stipulated by the Central Government and to the extent to which the same is not approved by the Central Government, the same shall become void and not enforceable against the Company.

Director Not to Act when Number Falls Below Minimum

153. When the number of Directors in Office falls below the minimum fixed above, the Directors, shall not act except in emergencies or for the purposes of filling up vacancies or for summoning a general meeting of the Company and so long as the number is below the minimum they may so act notwithstanding the absence of the necessary quorum.

Eligibility

154. A person shall not be capable of being appointed a Director if he has the disqualifications referred to in Section 164 of the Act.

Directors Vacating Office

155. (a) **The office of a Director shall be vacated if :**
- (i) he is found to be of unsound mind by a Court of competent jurisdiction;
 - (ii) he applied to be adjudicated an insolvent;

- (iii) he is adjudicated an insolvent;
- (iv) he is convicted by a Court, of any offence involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the expiry of the sentence; Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company;
- (v) he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call unless the Central Government by Notification in the Official Gazette removes the disqualification incurred by such failure;
- (vi) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
- (vii) he is removed in pursuance of Section 169 of Act;
- (viii) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;
- (ix) he acts in contravention of the provisions of Section 184 of the Act relating to entering into contracts or arrangements in which he is directly or indirectly interested;
- (x) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184.

(b) **Resignation of Directors**

A Director who holds office or other employment in the company shall, when he resigns his office, provide a notice in writing to the company.

Removal of Directors

156.

- (a) The Company may (subject to the provisions of Section 169 and other applicable provisions of the Act and these Articles) remove any director other than ex-officio directors or Special Directors or Debenture Directors or a Nominee Director or a director appointed by the Central Government in pursuance of Section 242 of the Act, before the expiry of his period of office.
- (b) Special notice as provided by Section 115 of the Act shall be required of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.
- (c) On receipt of notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.
- (d) Whether notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests their notification to members of the Company, the Company shall unless the representations are received by it too late for it do so:
 - (i) In the notice of the resolution given to members of the Company state the fact of representations having been made, and
 - (ii) send a copy of the representation to every member of the Company whom notice of the meeting is sent (whether before or after receipt of the representations by the company), and if a copy of representations, is not sent as aforesaid because they were received too late or because of the company's default, the Director may (without prejudice to his right to be provided orally) require that the representations be read out at the meeting, provided that copies of the representations need not be sent or read out at the meeting if so directed by the Court.
- (e) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the

Company in general meeting or by the Board in pursuance of Section 161 of the Act be filled by the appointment of another Director in his stead by the meeting at which he is removed, provided special notice of the intended appointment has been under clause (b) hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.

- (f) if the vacancy is not filled under clause (e) above it may be filled as a casual vacancy in accordance with the provisions, in so far as they may be applicable, of Section 161 of the Act, and all the provisions of that Section shall apply accordingly;
- (g) Nothing contained in this Article shall be taken :
 - (i) as depriving a person removed there under of any compensation or damages payable to him in respect of the termination of his appointment as Director or of any appointment terminating with that as director; or
 - (ii) as derogating from any power to remove a Director which may exist apart from this Article.
- (h) The Company shall take steps to fill the vacancy caused by the resignation/removal of an independent director by replacing such independent director with a new independent director within three months of the occurrence of such vacancy or at the immediate next meeting of the of the Board, whichever is later or as may otherwise be prescribed by the Listing Regulations.

Directors may Contract with Company

157. Subject to the restrictions imposed by these Articles and by Section 179, 180, 185, 186, 188, 189, 196 and any other provisions of the Act, no Director, Managing Director, or other officer or employee of the Company shall be disqualified from holding his office by contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Company in which any Director, managing director, Joint Managing Director, Executive Director other officer or employee shall be in any way interested, be avoided, nor shall be Director, Managing Director or any officer or employee so contracting or being so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason only of such Director, officer or employee holding that office or of the fiduciary relation thereby established, but the nature of his or their interest must be disclosed by him or them in accordance with provisions or Section 184 of the Act where that section be applicable.

Disclosure of Directors' Interest

158. (1) Every Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement, or proposed contract or arrangement, entered into or to be entered into, by or on behalf of the Company, shall disclose the nature of his concern of interest at a meeting of the Board of Directors, in the manner provided in Section 184 of the Act.
- (2) (a) In the case of proposed contract or arrangement, the disclosure required to be made by a Director under clause (1) shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not, at the date of that meeting, concerned or interested in the proposed contract or arrangement, at the first meeting of the Board held after he be so concerned or interested.
- (b) In case of any other contract or arrangement, the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.
- (3) Nothing in this Article shall apply to any contract or arrangement entered into or to be entered into between the Company and any other company where any one or two or more of Directors together holds or hold not more than two percent of the paid up share capital in other company.

Board Resolution necessary for Certain Contracts

159. (1) Except with the consent of the Board of Directors of the Company and of the Shareholders as applicable, in terms of the provisions of Section 188 of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014, the Company , shall not enter into any contract with a Related Party

- a. for the sale, purchase or supply of any goods, materials or services; or
 - b. selling or otherwise disposing of, or buying, property of any kind;
 - c. leasing of property of any kind;
 - d. availing or rendering of any services;
 - e. appointment of any agent for purchase or sale of goods, materials, services or property;
 - f. such Related Party's appointment to any office or place of profit in the Company, its subsidiary company or associate company;
 - g. underwriting the subscription of any securities or derivatives thereof, of the Company:
- (2) Nothing contained in clause (1) shall affect any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis or affect transactions entered into between the Company and its wholly owned subsidiaries whose accounts are consolidated with the Company and placed before the Shareholders at a Shareholders Meeting for approval
- (3) Notwithstanding anything contained in clauses (1) and (2) a Related Party may, in circumstances of urgent necessity enter, without obtaining the consent of the Board or the approval of shareholders of the Company as required under the Act, into any contract with the Company; but in such a case the consent of the Board or the approval of shareholders of the Company as required under the Act as the case may be, shall be obtained at a meeting within three months of the date of which the contract was entered into or such other period as may be prescribed under the Act.
- (4) Every consent of the Board required under this Article shall be accorded by a resolution of the Board and the consent required under Clause (1) shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into or such other period as may be prescribed under the Act.
- (5) If the consent is not accorded to any contract under this Article anything done in pursuance of the contract will be avoidable at the option of the Board.
- (6) The audit committee of the Board may provide for an omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed by applicable law.

Disclosure to the Members of Appointment of Manager, Whole-Time Directors, Managing Director or Secretaries and Treasures

160. (a) The company shall keep a copy of contract of service with managing or whole-time director in writing. Where the contract is not in writing, a written memorandum setting out terms of contract shall be kept.
- (b) The copies of the contract or the memorandum shall be open to inspection by any member of the company without payment of fee.

Loans to Director etc.

161. Save as otherwise provided in the Act, the Company shall not, directly or indirectly, advance any loan, including any loan represented by a book debt, to any of its directors or to any other person in whom the director is interested or give any guarantee or provide any security in connection with any loan taken by him or such other person except :-
- (a) give any loan to the managing or whole-time director—
 - (i) as a part of the conditions of service extended by the company to all its employees; or
 - (ii) pursuant to any scheme approved by the members by a special resolution; or
 - (b) in the ordinary course of its business provide loans or gives guarantees or securities for the due repayment of any loan and in respect of such Loan an interest is charged at a rate not less than the bank rate declared by the Reserve Bank of India.

Loans to Companies

162. The Company shall observe the restrictions imposed on the Company in regard to making any loans, giving any guarantee or providing any security to the Companies or bodies corporate as provided in Section 185 of the Act.

Interested Director not to Participate or vote in Board's Proceedings

163. No Director of the Company shall as a Director take any part in the discussion of or vote on any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he is in any way whether directly or indirectly concerned, or interested in such contract or arrangement nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote on any contract of indemnity against any loss which it or any one of more of its number may suffer by reason of becoming or being sureties or surety for the Company. Nothing in this Article shall apply to any contract or arrangement entered into or to be entered into between two companies where any of the directors of one company or two or more of them together holds or hold not more than two percent of the paid up share capital of the other company

This Article is subject to the provisions of Section 184 of the Act.

Register of Contracts in which Directors are interested

164. The Company shall keep one or more Registers in which it shall be entered separately particulars of all contracts and arrangements to which Sections 184 and 188 of the Act apply.

ROTATION AND APPOINTMENT OF DIRECTORS

Director may be Director of Companies Promoted by the Company

165. A Director may be or become a Director of any Company or which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefits received as Director or shareholder of such Company except in so far as Section 197) or Section 188 of the Act may be applicable.

Subject to provisions of Section 152 of the Act, not less than two thirds of the total number of Directors shall :

- (a) be persons whose period of office is liable to determination by retirement of Directors by rotation, and
- (b) save as otherwise expressly provided in the Act, be appointed by the Company in general meeting.

The remaining Directors shall, in default of and subject to any regulations in the Articles of the Company, also be appointed by the Company, in general meeting.

Ascertainment of Directors Retiring by Rotation and Filling up Vacancy

166. (a) At every annual general meeting one-third of such directors for the time being as are liable to retire by rotation, or if their number is not three or multiple of three, then the number nearer to one-third, shall retire from office.

The Debenture Directors, Corporate Directors, Special Directors, Independent Directors, and Managing Director if any, shall not be subject to retirement under this Article and shall not be taken into account in determining the number of Directors to retire by rotation. Thus Whole time Directors shall be liable to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation.

- (b) **The Directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement amongst themselves, be determined by lot. A Retiring Director shall be eligible for re-election.**
- (c) At the annual general meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.

- (d) I. if the place of the retiring Director is not so filled up and that meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.
- II. if at the adjourned meeting also, the place of the retiring Director is not filled up and that the meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless-
 - (a) **At that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;**
 - (b) **The retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so reappointed;**
 - (c) **He is not qualified or is disqualified for appointment;**
 - (d) **A resolution, whether special or ordinary, is required for his appointment or re-appointment in virtue of any provisions of the Act, or**
 - (e) **The proviso to Section 162 of the Act is applicable to the case.**

Consent of Candidates for Directorship to be Filed with the Registrar

167. Every person who is proposed as a candidature for the office of Director of the Company shall sign and file with the Company and with the Registrar, his consent in writing to act as a Director, if appointed, in accordance with the provisions of Section 152 of the Act in so far as they may be applicable.

Company may Increase or Reduce the Number of Directors or Remove any Director

168. Subject to the provisions of Sections 149, 151 and 152 of the Act, and these Articles the Company may, by special resolution, from time to time, increase or reduce the number of Directors and may prescribe or alter qualifications.

Appointment of Directors to be Voted individually.

169. (1) No motion at any general meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to by the meeting without any vote being given against it.
- (2) A resolution moved in contravention of clause (1) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided that for the automatic re-appointment of retiring Director in default of another appointment as hereinabove provided shall apply.
- (3) For the purpose of this Article, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.

Notice of Candidature for Office of Directors Except in Certain Cases

170. (1) No person, not being a retiring Director, shall be eligible for election to the office of Director at any general meeting unless he or some other member intending to propose him has, at least fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of a Director or the intention of such member to propose him as a Director for office as the case may be along with a deposit of One lakh Rupees which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than twenty-five per cent of total votes cast.
- (2) The Company shall inform its members of the candidature of the person for the office of Director or the intention of a member to propose such person as a candidate for that office by serving individual notices on the members not less than seven days before the meeting. Provided that it shall not be necessary for the Company to serve individual notices on the members as aforesaid if the Company advertises such candidature or intention not less than seven days before the meeting in at least two newspapers circulating in the place where the Registered Office of the Company is located, of which

one is published in the English language and the other in the regional language of that place.

- (3) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director shall sign and file with the Company his consent in writing to act as a Director if appointed.
- (4) A person, other than-
 - (a) a Director, re-appointed after retirement by rotation or immediately on the expiry of his term of office, or
 - (b) an additional or alternate Director or a person filling a casual vacancy in the office of a Director under Section 160 of the Act, appointed as a Director or re-appointed as an additional or alternate Director immediately on the expiry of term of office shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director

Register of directors and Notification of Change to Registrar

- 171. (1) The Company shall keep at its Registered Office a Register containing the particulars of its Directors and key managerial personnel and other persons mentioned in Section 170 of the Act which shall include the detail of securities held by each of them in the Company or its holding, subsidiary of Company's holding company or company and shall send to the Registrar a Return containing the particulars specified in such Register and shall otherwise comply with the provisions of the said Section in all respects.
- (2) Such Register shall be kept open for inspection by any member or debenture holder to the Company as required by section 171 of the Act.

Disclosure by Director of Appointment to any other Body Corporate

- 172. Every Director (including a person deemed to be a Director of the Company Managing Director, Key Managerial Personnel, Manager or Secretary of the Company who is appointed to or relinquishes office of Director, Managing Director, Manager or Secretary of any other body corporate shall within thirty days of his appointment to, or as the case may be, relinquishment of such office disclose to the Company the particulars relating to the office in the other body corporate which are required to be specified under Section 170 of the Act.

Disclosure by Directors of their Holdings of Shares and Debentures of the Company.

- 173. Every director and every person deemed to be a Director of the Company shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section. Any such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

Meeting of Directors

- 174. (a) The Directors may meet together as a Board for transaction of business from time to time and shall so meet at least four times in every year in such manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board and they may adjourn and otherwise regulate their meetings and proceedings as they deem fit. The provisions of this Article shall not be deemed to be contravened merely by reason of the fact that meeting of the Board, which had been called in compliance with the terms herein mentioned, could not be held for want of quorum.
- (b) The participation of directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognizing the participation of the directors and of recording and storing the proceedings of such meetings along with date and time:

Provided that the Central Government may, by notification, specify such matters which shall not be dealt with in a meeting through video conferencing or other audio visual means.

- (c) Every director present at any meeting of the Board of Directors or a committee there of shall sign his name in a book to be kept for that purpose, to show his attendance there at

When Meeting to be Convened

175. Any Director of the Company may and the Manager or Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.

Directors Entitled to Notice

176. Notice of every meeting of the Board of the Company shall be given in writing to every Director for the time being in India and at his usual address in India.

Appointment of Chairman

177. The Board may elect a Chairman of its meetings and determine the period for which he is to hold office. If no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be the Chairman of the meeting.

Board may Appoint Managing Director

178. (a) Pursuant to Section 203 of the Act, the Managing Director of the company shall be appointed by means of a resolution of the Board containing the terms and conditions of the appointment including the remuneration.
- (b) Any Managing Director or/s or whole time Director/s so appointed shall not be required to hold any qualification shares.
- (c) Subject to the provisions of Sections 196, 197, and 203 of the Act and also subject to the limitations, conditions and provisions of Schedule V to the Act, the appointment and payment of remuneration to the above Director/s shall be subject to approval of the members in general meeting and of the Central Government, if required.
- (d) **Subject to the superintendence, control and direction of the Board, the day to day management of the Company shall be vested with the Managing Director/s or Whole-time Director/s Manager, if any, with Power to the Board to distribute such day to day management functions in any manner as deemed fit by the Board subject to the provisions of the Act and these Articles.**

Meeting of Committee, How to be Governed

179. (a) The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meeting and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors.
- (b) A committee may elect a Chairperson of its meetings. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be chairperson of the meeting.

Resolution by Circular

180. No Resolution by circular shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation unless such Resolution has been circulated in draft form, together with necessary papers, if any, to all the Directors, or to all the members for the Committee, as the case may be, at the respective addresses registered with the Company or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members, who are entitled to vote on the resolution and has been approved by the majority of the Directors or Members of the Committee or by a majority of such of them as are entitled to vote on the Resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the Board. A resolution by circular shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of

the minutes of such meeting.

Directors May Appoint Committees

181. The Board shall constitute such committees as may be required under the Act, applicable provisions of Law and the Listing Regulations. Subject to the restrictions contained in Section 179 of the Act, the Board may delegate any of their powers to Committees of the Board consisting of two or more members of its body as it thinks fit and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes.. A director shall not be a member of more than ten committees or act as a chairperson of more than five committees across all listed entities in which he is a director as determined by the Listing Regulations. The Chairman shall have a casting vote at committee meetings and the Board may from time to time, revoke and discharge such Committee of the Board either wholly or in part and either as to persons or purposes, but every Committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may, from time to time, be imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purposes of its appointment but not otherwise, shall have the like force and effect as if done by the Board.

Acts of Board or Committee Valid Notwithstanding Defect of Appointment

182. Every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. All acts done by any meeting of the Directors or by a Committee of Directors, or by any person acting as a Director, shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid, or they or any of them were or was disqualified or that their or his appointment had terminated by virtue of any provisions contained in the Articles or the Act, be as valid as if every such person has been duly appointed and was qualified to be a Director.

POWER OF DIRECTORS

Certain Powers to be Exercised by the Board

183. (a) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board –
- (i) to make calls on shareholders in respect of money unpaid on their shares;
 - (ii) to authorize buy-back of securities under Section 68 of the Act;
 - (iii) to issue securities, including debentures, whether in or outside India;
 - (iv) to borrow monies;
 - (v) to invest the funds of the Company;
 - (vi) to grant loans or give guarantee or provide security in respect of loans;
 - (vii) to approve financial statement and the Board's report;
 - (viii) to diversify the business of the Company;
 - (ix) to approve amalgamation, merger or reconstruction;
 - (x) to take over a company or acquire a controlling or substantial stake in another company;

Provided that the Board may by resolution passed at the meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of a branch office of the Company, a principal officer of the branch office, the powers specified in sub-clauses (iv) to (vi) to the extent specified in clauses (b), (c) and (d) respectively on such conditions

as the Board may prescribe.

- (b) Every resolution delegating the power referred to sub-clause (iv) of clause (a) shall specify the total amount outstanding at any one time upto which moneys may be borrowed by the delegate,
- (c) Every resolution delegating the power referred to in sub-clause (v) of clause (a) shall specify the total amount upto which the funds of the Company may be invested and the nature of the investments which may be made by the delegate.
- (d) Every resolution delegating the power referred to in sub-clause (vi) of clause (a) shall specify the total amount upto which loans may be made by the delegates, the purpose for which the loans may be made and the maximum amount upto which loans may be made for each such purpose in individual case.
- (e) Nothing in this article contained shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in sub-clauses (i) to (x) of clause (a) above.

Restriction on Powers of Board

184. (a) The Board of Directors of the Company shall not except with the consent of the Company in general meeting :
- (i) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company more than one undertaking of the whole or substantially the whole of any such undertaking;
 - (ii) invest, otherwise than in trust securities, the amount of compensation received by it as a result of any merger or amalgamation;
 - (iii) borrow moneys, where the money to be borrowed, together with moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of its paid-up share capital and free reserves; or
 - (iv) remit, or give time for the repayment of, any debt due from a director;
 - (v) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees any amount, the aggregate of which in any financial year, exceed five percent of its average net profits as determined in accordance with the provisions of Section 198 of the Act during the three financial years, immediately preceding, whichever is greater.
- (b) Nothing contained in sub-clause (a) above shall affect:
- (i) the title of a buyer or other person who buys or takes a lease of any property, investment or undertaking as is referred to in that clause in good faith and after exercising due care and caution, or
 - (ii) the selling or leasing of any property of the Company where the ordinary business of the Company consists of, comprises such selling or leasing.
- (c) Any resolution passed by the Company permitting any transaction such as is referred to in sub-clause (a) (i) above, may attach such conditions to the permission as may be specified in the resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transaction. Provided that this clause shall not be deemed to authorize the Company to effect any reduction in its capital except in accordance with the provisions contained in that behalf in the Act.
- (d) No debt incurred by the Company in exercise of the limit imposed by sub-clause (iii) of clause (a) above, shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.
- (e) Due regard and compliance shall be observed in regard to matters dealt with by or in the Explanation contained in sub-section (1) Section 180 of the Act and in regard to the limitations on the power of the Company contained in Section 181 of the Act.

185. **Directors May Appoint Committees**

Subject to the restrictions contained in Section 179 of the Act, the Board may delegate any of their powers to Committees of the Board consisting of two or more members of its body as it thinks fit. A director shall not be a member of more than ten committees or act as a chairperson of more than five committees across all listed entities in which he is a director as determined by the Listing Regulations. The Chairman shall have a casting vote at committee meetings and the Board may from time to time, revoke and discharge such Committee of the Board either wholly or in part and either as to persons or purposes, but every Committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may, from time to time, be imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purposes of its appointment but not otherwise, shall have the like force and effect as if done by the Board.

186. **Acts of Board or Committee Valid Notwithstanding Defect of Appointment**

All acts done by any meeting of the Directors or by a Committee of Directors, or by any person acting as a Director, shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid, or they or any of them were or was disqualified or that their or his appointment had terminated by virtue of any provisions contained in the Articles or the Act, be as valid as if every such person has been duly appointed and was qualified to be a Director.

General Powers of the Company Vested in Directors

w Subject to the provisions of the Act, the management of the business of the Company shall be vested in the Directors and the Directors may exercise all such powers and do all such acts and things as the Company is by the Memorandum of Association or otherwise authorized to exercise and do and not hereby or by the stature or otherwise directed or required to be exercise or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and other and act and of the Memorandum of Association and these articles and to any regulations, but being inconsistent with the Memorandum of Association and these articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

188. The Company shall provide the option to its shareholders to exercise their right to vote in meetings of the shareholders through electronic mode in accordance with Section 108 of the Act and shall vote only once'

Secretary

189. Subject to the provisions of Section 203 of the Act, the Directors may, from time to time appoint and, at their discretion remove any individual (hereinafter called 'the Secretary' who shall have such qualifications as the authority under the Act may prescribe to perform any functions, which by the Act or these Articles are to be performed, by the Secretary, and to execute any other purely ministerial or administrative duties which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some persons (who need not be the Secretary) to keep the registers required to be kept by the Company.

Seal

190. (I) The Board of Directors shall provide a Common Seal for the purpose of the Company, shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for its safe custody for the time being under such regulations as the Board may prescribe.
- (II) The Seal shall never be used except by the authority, of the Directors or a committee of the Directors, previously given and every deed or other instrument to which a seal of the Company is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company or by an officer duly authorized in that behalf by resolution of the Board, be signed by one Directors at least in whose presence the seal shall have been affixed, provided nevertheless that the certificate of shares issued by the Company shall be sealed and signed as provided in the next following Article

Provided however that the certificates of shares shall be signed in the name manner as the certificates

of the shares required to be signed in conformity with the provisions of the Companies (Share Capital and Debentures) Rules 2014 and their statutory modification for the time being in force.

- (III) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so

affixed in their presence

Dividends Out of Profits Only

191. (i) No Dividend shall be declared or paid by the Company for any financial year except out of the profits of the Company for that year arrived at after providing for depreciation in accordance with the provisions of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both or out of money provided by the Central Government or State Government for the payment of dividend in pursuance of a Guarantee given by the Government and except after the transfer to the reserves of the Company of such percentage out of the profits for that year not exceeding ten per cent as may be prescribed or voluntarily such higher percentage in accordance with the rules as may be made by the Central Government in that behalf.

PROVIDED HOWEVER whether owing to inadequacy or absence of profits in any year, the Company propose to declare out of the accumulated profits by the Company in previous years and transferred by it to the reserve, such declaration of dividend shall not be made except in accordance with such rules as may be made by the Central Government in this behalf.

- (ii) The depreciation shall be provided to the extent specified in Schedule II to the Act.
- (iii) No dividend shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalization of the profits or reserves of the Company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on any shares held by members of the Company.
- (iv) The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
- (v) No dividend shall bear interest against the Company.

Interim Dividend

192. The Board of Directors may from time to time, pay to the members such interim dividends as appears to it to be justified by the profits of the company.

Debts May be Deducted

193. The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

Capital Paid Up in Advance and Interest Not to Earn Dividend

194. Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not whilst carrying interest, confer a right to dividend or to participate in profits.

Dividends in Proportion to Amount Paid-Up

195. (a) Subject to the rights of the persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
- (b) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as having been paid on the share.

- (c) All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion of the period in respect of which the dividends is paid but if any share is issued in terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.

Right to Dividend, Right Shares and Bonus Shares to be held in Abeyance Pending Registration of Transfer of Shares

196. Where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered by the Company, it shall notwithstanding anything contained in any other provision of this Act, shall -
- (a) transfer the dividend in relation to such shares to the special account referred to in Section 123 unless the Company is authorized by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer; and
 - (b) Keep in abeyance in relation to such shares any offer of rights shares under Section 62 and any issue of fully paid-up bonus shares in pursuance of Section 123.

No Member to receive Dividend whilst indebted to the Company and the Company's Right of Reimbursement Thereof

197. No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, while any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.

Effect of Transfer of Shares

198. A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.

Dividends How Remitted

199. The dividend payable in cash may be paid by cheque, direct credit to the beneficiaries bank account or warrant sent through post direct to the registered address of the shareholder entitled to the payment of the dividend or in case of joint holders to the registered address of that one of the joint holders which is first named on the register of members or to such person and to such address as the holder or the joint holder may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay-slip or receipt lost in transmission or for any dividend lost, to the member of person entitled thereto by forged endorsement of any cheque or warrant or the fraudulent recovery of the dividend by any other means.

Notice of Dividend

200. Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holder of share in the manner herein provided.

Unpaid Dividend or Dividend Warrant Posted

201. (a) Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within 7 days from the date of expiry of the said period of 30 days, open a special account in the name of the Company and transfer to the said Account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.
- (b) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund maintained by the Central Government under the Act. A claim to any money so transferred to the general revenue account may be preferred to the Central Government by the shareholder to whom the money is due.

No unclaimed dividend shall be forfeited by the Board unless the claim becomes barred by law.

CAPITALISATION

Capitalization

203.

- (a) Any general meeting may resolve that any amount standing to the credit of the Securities Premium Account or the Capital Redemption Reserve Account or any moneys, investment or other assets forming part of the undivided profits (including profits or surplus moneys arising from the realization and where permitted by law, form the appreciation in value of any capital assets of the Company) standing to the credit of the General Reserve, Reserve or any Reserve fund or any other fund of the Company or in the hands of the Company and available for dividend may be capitalized. Any such amount (excepting the amount standing to the credit of the Securities Premium Account and/or the Capital redemption Reserve Account) may be capitalized:

The sum aforesaid shall not be paid in cash but shall be applied, either in or towards—

- (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - (ii) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
 - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii);
 - (iv) for the purchase of its own shares or other securities subject to the provisions of Section 68 of the Act.
 - (v) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
- (b) Such issue and distribution under Sub-clause (a) (i) above and such payment to the credit of unpaid share capital sub-clause (a) (ii) above shall be made to, among and, in favor of the members of any class of them or any of them entitled thereto and in accordance with their respective rights and interests and in proportion to the amount of capital paid up on the shares held by them respectively in respect of which such distribution under sub-clause (a) (ii) above shall be made on the footing that such members become entitled thereto as capital;
- (c) The Directors shall give effect to any such resolution and apply portion of the profits, General Reserve Fund or any other fund or account as aforesaid as may be required for the purpose of making payment in full for the shares, debentures or debenture-stock, bonds or other obligations of the Company so distributed under sub-clause (a)(i) above or (as the case may be) for the purpose of paying, in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid-up under sub-clause above provided that no such distribution or payment shall be made unless recommended by Directors and if so recommended such distribution and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalized sum.
- (d) For the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates or coupons and fix the value for distribution of any specific assets and may determine that such payments be made to any members on the footing of the value so fixed and may vest any such cash, shares, fractional certificates or coupons, debentures, debenture-stock; bonds or other obligations in trustees upon such trusts for the person entitled thereto as may seem expedient to the Directors and generally may make such arrangement for the acceptance, allotment and sale of such shares, debenture, debenture-stock, bonds or other obligations and fractional certificates or coupons or otherwise as they may think fit.
- (e) Subject to the provisions of the Act and these Articles, in cases where some of the shares of the Company are fully paid and others are partly paid only, such capitalization may be effected by the distribution of further shares in respect of the fully paid shares, and in respect of the partly paid shares the sums so applied in the extinguishments or diminution of the liability on the partly paid shares shall

be so applied *prorata* in proportion to the amount then already paid or credited as paid on the existing fully paid and partly paid shares respectively.

- (f) When deemed requisite a proper contract shall be filed with the Registrar of Companies in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the members entitled as aforesaid and such appointment shall be effective.

ACCOUNTS

Accounts

204. The provisions of Sections 128 to 138 of the Act and the relevant accounting standards shall be complied with in so far as the same is applicable to the Company.

Books of Accounts to be kept

205. (a) The Company shall keep at its Registered Office proper books of accounts as required by Section 128 of the Act with respect to :
- (i) All sums of money received and expected by the Company and the matters in respect of which the receipt and expenditure take place;
 - (ii) All sales and purchases of goods and services by the Company;
 - (iii) The assets and liabilities of the Company; and
 - (iv) The items of cost as may be prescribed under Section 148 of the Act and applicable to the Company.

Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors so decide, the Company shall, within seven days of the decision file with the Registrar a notice in writing giving full address of that other place.

- (b) If the Company shall have a branch office, whether in or outside India, proper books of account relating to the transaction effected at that office shall be kept at that office and proper summarized returns made upto date at intervals of not more than three months, shall be sent by the branch office to the Company at its Registered Office or other place in India, as the Board thinks fit, where the said books of the Company are kept.
- (c) All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch office as the case may be with respect to the matters aforesaid, and explain the transactions.
- (d) The books of account shall be open to inspection by any Director during business hours as provided by Section 128 of the Act.
- (e) The books of account of the Company relating to a period of not less than eight years immediately preceding the current year together with the vouchers relevant to any entry in such books of accounts shall be preserved in good order.

Inspection by Members

206. The Directors shall from time to time determine whether and to what extent and at what times and place and under what conditions or regulation the account, books and documents of the Company or any of them, shall be open to the inspection of the members, and no member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by statute or authorized by the Directors or by a resolution of the Company in general meeting.

Statement of Account to be furnished to General Meeting

207. The Board of Directors shall lay before each annual general meeting a Financial Statements for the financial year of the Company which shall not precede the day of the meeting by more than six months or such extended period as shall have been granted by the Registrar of Companies under the provisions

of the Act.

Financial Statement

208. (a) Subject to the provisions of Section 129 of the Act, every Financial Statement of the Company shall be in the forms set out in Schedule II of the Act, or as near there to as circumstances admit.
- (b) So long as the Company is a holding Company having a subsidiary the Company shall conform to Section 129 and other applicable provisions of the Act.
- (c) If in the opinion of the Board, any of the current assets of the Company have not a value on realization in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.

Authentication of Financial Statement

209. (a) The Financial Statements shall be signed in accordance with the provisions of Section 134 of the said Act.
- (b) The Financial Statement, shall be approved by the Board of Directors before they are submitted to the auditors for report thereon.

Profit and Loss Accounts to be Annexed and Auditors' Report to be attached to the Balance Sheet.

210. The Profit and Loss Account shall be annexed to the Balance and the Auditors' Report including the Auditor's separate, special or supplementary report, if any, shall be attached thereon.

Board's Report to be Attached to Financial Statement

211. (a) Every Financial Statement laid before the Company in General Meeting shall have attached to it a Report by the Board of Directors with respect to the State of the Company's affairs and such other matters as prescribed under Section 134 of the Act and the Rules made thereunder.
- (b) The Report shall so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries deal with any changes which have occurred during the financial year in the nature of the Company of Company's business, or of the Company's subsidiaries or in the nature of the business in which the Company has an interest.
- (c) The board shall also give the fullest information and explanation in its Report or in cases falling under the proviso to Section 129 of the Act in an addendum to that Report, on every reservation, qualification or adverse remark contained in the Auditor's Report.
- (d) The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorized in that behalf by the Board; and where he is not so authorized shall be signed by such number of Directors as are required to sign the Financial Statements of the Company by virtue of sub-clauses (a) and (b) of Article 210 and in accordance with the Listing Regulations, as applicable.
- (e) The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of sub-clauses (a) and (b) of this Article are complied with.
- (f) Every Financial Statement of the Company when audited and approved and adopted by the members in the annual general meeting shall be conclusive except as regards in matters in respect of which modifications are made thereto as may from time to time be considered necessary by the Board of Directors and or considered proper by reason of any provisions of relevant applicable statutes and approved by the shareholders at a subsequent general meeting.

Right of Members to copies of Financial Statement and Auditor's Report

212. A copy of every Financial Statement and the auditor's report and every other document required by law to be annexed or attached, as the case may be; to the balance sheet which is to be laid before the Company in General Meeting, shall be made available for inspection at the Registered Office of the Company during the working hours for a period of 21 days before the date of the meeting. A statement

containing the salient features of such documents in the prescribed form or copies of the documents aforesaid as may be permitted by Section 136 of the Act and as the Company may deem fit, will be sent to every member of the Company and to every Trustees for the holders of any debentures issued by the Company, not less than 21 days before the meeting as laid down in Section 136 of the Act. Provided that it shall not be necessary to send copies of the documents aforesaid to:

- (a) to a member or holder of the debenture of the Company who is not entitled to have the notice of general meeting of the Company sent to him and whose address the Company is unaware;
- (b) to more than one of the joint holder of any shares or debentures some of whom are and some of whom are not entitled to have such notice sent to them, by those who are not so entitled.

A copy of the Financial Statement etc. to be filed with Registrar

213. After the Financial Statements have been laid before the Company at the annual general Meeting, a copy of the Financial Statement duly signed as provided under Section 137 of the Act together with a copy of all documents which are required to be annexed there shall be filed with the Registrar so far as the same be applicable to the Company.

Service of Documents on Members By the Company

220. (i) A document or notice may be served by the Company on any member thereof either personally or by sending it, by registered post or speed post or by courier service or electronic means or such other modes as may be prescribed under the Act from time to time, to him at his registered address or if he has no registered address in India, to the address if any, within India, supplied by him to the Company for serving documents or notices to him.
- (ii) Where a document or notice is sent by post or courier service:
- (a) Service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or the notice provided that where a member has intimated to the Company in advance that documents should be sent to him by specified manner and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents or notice shall not be deemed to be affected unless it is sent in the manner intimated by the members; and
 - (b) Such service shall be deemed to have been affected:
 - (i) In the case of a notice of meeting at the expiration of forty-eight hours after the letter containing the same is posted; and
 - (ii) in any other case at the time at which the letter would be delivered in the ordinary course of post.
 - (iii) A document or notice advertised in a newspaper circulation in the neighborhood of the Registered Office of the Company shall be deemed to be duly served on the day on which the advertisement appears, on every member of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him.
 - (iv) A document or notice may be served by the Company on the joint holders of a share by serving it to the joint holder named first in the Register in respect of the share.
 - (iii) A document or notice may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a pre-paid letter, addressed to them by name, or by title of representatives of the deceased, or assignees of the insolvent or by any like description, at the address if any, in India supplied for the purpose by the person claiming to be so entitled or until such an address has been so supplied, by serving the document or notice in any manner in which it might have been served if the death or insolvency had not occurred.
 - (iv) The signature to any document or notice to be given by the Company may be written or printed or lithographed.

To Whom Documents must be Served or Given.

221. Document of notice of every general meeting shall be served or given in the same manner herein before authorized on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member, c) directors and (d) the auditor or auditors for the time being of the Company, PROVIDED that when the notice of the meeting is given by advertising the same in newspaper circulation in the neighborhoods of the office of the Company under Article 99, a statement of material facts, referred to in Article 100 need not be annexed to the notice as is required by that Article, but it shall merely be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

Members Bound by Documents or Notice Served on or Given to Previous Holders

222. Every person, who by operation of law, transfer or other means whatsoever, has become entitled to share shall be bound by every document or notice in respect of such share which prior to his name and address being entered on the Register of Members, shall have duly served on or given to the person from whom he derived his title to such share.

Service of Documents on Company

223. A document may be served on the Company or an Officer thereof by sending it to the Company or Officer at the Registered Office of the Company by Registered Post or by speed post or by courier services or by electronic means or by leaving it at its Registered Office or such other modes as may be prescribed under the Act from time to time.

Service of Documents by Company on the Registrar of Companies

224. Subject to provisions in the Act, a document may be served on the Registrar of Companies by sending it to him at his office by Registered Post, or speed post or by courier services or by delivering it to or leaving it for him at his office or address or by such electronic or other mode as may be prescribed under the Act from time to time.

REGISTERS AND DOCUMENTS

REGISTERS AND DOCUMENTS TO BE MAINTAINED BY THE COMPANY

225. The Company shall keep and maintain Registers, Books and documents as required by the Act or these Articles.

Maintenance and inspection of documents in electronic form

226. Without prejudice to any other provisions of this Act, any document, record, register, minutes, etc.,—
- (a) Required to be kept by a company; or
 - (b) Allowed to be inspected or copies to be given to any person by a company under this Act, may be kept or inspected or copies given, as the case may be, in electronic form in such form and manner as may be determined by central government by the Central Government.

Inspection of Registers

227. Subject to provisions of the Act and the provisions in the Articles, the Registers maintained under the Act and the minutes of all proceedings of General Meetings shall be open to inspection during any working day during business hours and extracts may be taken there from and copies thereof may be required by any member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company i.e., by any member, debenture holder, other security holder or beneficial owner without payment of fee and by any other person on payment of fee of Rupees 50/- for each inspection. Subject to provisions of the Act and the provisions in the Articles, the copies of entries in the Registers maintained under the Act shall be furnished to the persons entitled to the same on payment of ₹ 10/- for each page, .

OPERATION OF BANK ACCOUNT

All cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise

executed, as the case may be, by such person and in such manner as the Board of Directors may, from time to time, by resolution determine.

WINDING UP

Distribution of Assets in Specie or Kind.

228. (a) Subject to the provisions of the Act, if the Company shall be wound up and the assets available for distribution among the members as such shall be less than sufficient to repay the whole of the paid up capital such assets shall be distributed so that, as nearly, as may be, the losses shall be borne by the members in proportion to the Capital paid up, or which ought to have been paid up, at the commencement of winding up, on the shares held by them respectively. And if in winding up, the assets available for distribution among the members shall be more than sufficient to repay the whole of the Capital paid up at the commencement of the winding up the excess shall be distributed amongst the members in proportion to the Capital at the commencement of the winding up or which ought to have been paid up on the shares held by them respectively.
- (b) But this clause will not prejudice the rights of the holders of shares issued upon special terms and conditions.

Distribution in Specie or Kind.

229. Subject to the provisions of the Act :
- (a) If the Company shall be wound up whether voluntarily or otherwise, the liquidators may with the sanction of a special resolution and any other sanction required by the Act, divide amongst the contributories, in specie or kind the whole or any part of the assets of the Company, and may, with the like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them as the liquidators with the like sanction shall think fit.
- (b) If thought expedient, any such division may, subject to the provisions of the Act, be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given (subject to the provisions of the Act) preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined or any contributory who would be prejudiced thereby shall have the right; if any to dissent and ancillary rights as if such determination were a special resolution, pursuant to Section 494 of the Companies Act, 1956 or Section 319 of the Companies Act, 2013 as applicable at the time of application.
- (c) In case any shares to be divided as aforesaid involves a liability to calls or otherwise, any person entitled under such division to any of the said shares may within ten days after the passing of the special resolution, but notice in writing direct the liquidators to sell his proportion and pay him the net proceeds and the Liquidators shall, if practicable act accordingly.

SECRECY CLAUSE

Secrecy Clause

230. (a) Every Director, Key Managerial Personnel, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Director, before entering upon his duties sign a declaration pleading himself to observe a strict secrecy respecting all transactions and affairs of the company with the customers and the state of the accountants with individuals and in matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
- (b) No Member or other person (not being a Director) shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading, or any matter which may relate to the conduct of the business of the company and which in the opinion of the Directors, it would be inexpedient in the

interest of the Company to disclose.

INDEMNITY AND RESPONSIBILITY

Directors and Others Right to Indemnity

231. Every Director, Managing Director, Whole-time Director, Manager, Secretary and other Officer or employee or authorised representative of the Company shall be indemnified by the Company and for this purpose may have relevant third party insurances procured by the Company in their favour, for all costs, fees, penalty, deposit, losses and expenses (including travelling expenses) which such Director, Manager, Secretary, Officer or employee or authorized representative may suffer or is likely to suffer in any way during the course of discharge of his duties including expenses and the amount for which such indemnity is provided, shall immediately attach as a lien on the property of the Company and have priority between the members over all other claims. Provided that no Director, Managing Director, Whole-time Director, Manager, Secretary and other Officer or employee or authorized representative of the Company shall be entitled to be indemnified by the Company or have insurance procured therefor in circumstances where any amounts directly or indirectly arise out of or in connection with any fraud, gross negligence, breach of trust or material and willful default on the part of such Director, Managing Director, Whole-time Director, Manager, Secretary and other Officer or employee or authorized representative of the Company.

Director and Other Officers not Responsible for the Acts of Others

232. Subject to the provisions of the Act, no Director, Managing Director, Whole-time Director or other Officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the nominees of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, within whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties or in relation thereto, unless the same happens through his own dishonesty.

An Independent Director, and a non-executive director not being a promoter or a Key Managerial Personnel, shall be liable only in respect of acts of omission or commission, by the Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he has not acted diligently.

SOCIAL OBJECTIVE

233. **Social Objective**

The Company shall have among its objectives the promotion and growth of the national economy through increased productivity, effective utilization of material and manpower resources and continued application of modern scientific and managerial techniques in keeping with the national aspirations and the Company shall be mindful of its social and moral responsibilities to the consumers, employees, shareholders, society and the local community.

PART B

234.

Notwithstanding anything to the contrary in any of the preceding Articles in Part – A above, the following shall apply during the currency of the Share Subscription cum Shareholders Agreement dated 22nd June 2012 (“the Agreement”) executed between Atharva Capital Ventures Private Limited, Mr. V.L. Rathi, Mrs. Prabha V. Rathi, Mr. C.L. Rathi, C.L. Rathi HUF, Mrs. Savita Rathi, Mr. Mukund Kabra, Chandrakant Rathi Finance and Investment Company Private Limited (“collectively referred to as “Promoters”), the Company and Kotak India Venture Fund I (“Investor – I”), Kotak Employees Investment Trust (“Investor – II”), Kotak India Venture (Offshore) Fund (“Investor – III”) (collectively referred to as “Investors”). All the defined terms in the Agreement shall apply to this Article 235 and during the currency of the Agreement: -

(A) SECOND CLOSING BOARD MEETING

On the Second Closing Date, the Company shall convene a meeting of its Board at which the Board shall allot 3,36,600 Shares in demat form to the Investor – III in the manner and the proportion set out in the Agreement and credit the same to their respective demat accounts against payment to the Company of a sum of Rs. 9,76,14,000 (Rupees Nine Crore Seventy Six Lac Fourteen Thousand only) in accordance with the Agreement. The Board shall issue instructions to the RTA of the Company to enter the name of the Investor – III in the register of members maintained by the RTA and shall provide the Investor – III with a duly certified extract of such register of members with the name of the Investor – III duly updated. Further, certified true copies of such Board resolution shall also be provided by the Company to the Investor – III.

(B) CONDITIONS SUBSEQUENT TO FIRST CLOSING

(a) Within 10 (ten) Business Days from the First Closing Date, the Company shall: -

deliver to the Investors, a certified true copies of e-Form 32 of the Companies (Central Government's) General Rules and Forms duly filed with the RoC along with the receipt of such filing in respect of appointment of the Investor Director; and

deliver to the Investors such other evidence as the Investors may require to satisfy themselves that all necessary post-Closing corporate formalities and such other post-Closing actions as may be required under the Articles of Association of the Company or by any other Law for the time being in force, in respect of the obligations under the Agreement, have been duly completed.

(b) Within 30 (thirty) days from the First Closing Date, the Company shall and the Promoters shall ensure that the Company shall appoint/engage an independent agency/body to study Company's Transfer Pricing policy and assess its compliance with applicable Transfer Pricing Law.

(c) Within 15 days from the First Closing Date, the Company shall carry out the necessary filings with the RoC including e-form 23 of the Companies (Central Government's) General Rules and Forms duly filed with the Registrar of Companies along with receipt of filing for amending the Articles of Association of the Company pursuant to the Agreement and deliver a certified copy of the same to the Investor – I and Investor - II.

(d) Within 180 (One Hundred Eighty) days from the First Closing Date, the Company shall initiate steps to obtain (i) ISO 22000 certification, (ii) GMP certification and (iii) HACCP certification for its manufacturing facilities situate at Pithampur, Indore and Sinnar, Maharashtra.

(e) Within 180 days of the First Closing Date, the Company shall complete (i) the merger/acquisition or transfer the business of Advanced EnzyTech Solutions Limited with the Company and (ii) the merger/amalgamation/transfer of the business of Advance Supplementary Technology Corporation to Advance Enzyme USA. However, the aforesaid period shall be mutually extended in the event such

merger/amalgamation/transfer is delayed due to factors not within the control of the Company and the Promoters. Further, the Company shall take steps in consultation with the Investors necessary to complete such merger/amalgamation/transfer with a view to align the interest of the Promoters and Investors and stream line the Company's Business.

- (f) Within 30 days of the Second Closing Date, the Company shall: -
- i) file (with respect to issuance of Investor Shares to Investor - III) the requisite documents with the authorized dealer/Reserve Bank of India ("RBI") including but not limited to Form FC-GPR along with all necessary documents and deliver the copy acknowledging receipt by the authorized dealer/RBI to the Investor - III; and
 - (ii) deliver to the Investor - III, a certified true copy of letter with an acknowledgement stamp by a Category I Authorized Dealer acknowledging foreign inward remittance certificate with respect to the Investor Subscription Amount (received from Investor - III) having been duly filed with them.

(C) **FURTHER ISSUE OF CAPITAL**

Subject to the provisions of the Agreement, all further issue and allotment of any type of securities by the Company or its Subsidiaries shall be approved by all the Investors prior to such issuance and the Investors shall have the right but not the obligation to participate in such issue, at their sole discretion. All further issuances of securities by the Company or its Subsidiaries, if approved by the Investors, shall be made at a price higher than the Issue Price.

The Company and its Subsidiaries shall not issue any further securities other than in accordance with this Article.

(D) **MANAGEMENT OF THE COMPANY**

- (a) The day to day management and affairs of the Company shall be managed by and through its Board of Directors and/or any committee of its Board of Directors as provided hereinafter.
- (b) The overall supervision of the activities, Business and affairs of the Company shall be managed exclusively under the direction of the Board. The Board may exercise all such powers of the Company and do all such lawful acts and things as are permitted under applicable Law and the Company's Memorandum and this Articles of Association.
- (c) All of the aforesaid provisions pertaining to the management of the Company shall *mutatis mutandis* apply to the Subsidiaries of the Company and all necessary actions shall be taken by the Company to give effect to and apply the aforesaid provisions to the Subsidiaries.
- (d) Board of Directors
 - (i) The Investor - I shall be entitled to nominate 1 (one) Director on the Board of the Company and one director on the boards of Cal-India and Advanced Bio-Agro Tech Limited ("ABATL") respectively ("**Investor Director**"). Further, the Investor - I shall ensure that such nominee shall be an employee of Kotak Investment Advisors Limited.
 - (ii) The Investor Director shall not be required to hold any qualification Shares. The Investor Director shall be a non-executive director and shall have no responsibility for the day-to-day management of the Company. The Company shall nominate directors or persons other than the Investor Director as "*persons in charge*" as contemplated under applicable Law and shall ensure that the Investor Director is not included within the scope of "*officer who is in default*" (or equivalent, by whatever name called) under applicable Law.

- (iii) Pursuant to the above, the Investor - I shall appoint an Investor Director. The Company and the Promoters shall appoint the Investor Director on or before the First Closing Date and file all the requisite forms with the concerned RoC. Further, the Company shall ensure that ABATL and Cal-India shall appoint on or before the First Closing Date, the Investor Director nominated by the Investor - I and 1 (one) director nominated by the Company and file all the requisite forms with the concerned authorities under the applicable Law.
 - (iv) Any expenses incurred by the Investor Directors for attending the meeting of the Board shall be reimbursed by the Company. However, any Director may attend such meetings through video-conferencing.
 - (v) The Company shall not veto or otherwise obstruct the appointment/removal/replacement of the Investor Director in accordance with the abovementioned Articles.
- (e) Removal and replacement of the Investor Director
- (i) The Investor - I shall be entitled to remove the Investor Director by notice to such Director and to the Company in writing and signed by or on behalf of the Investor - I and shall be delivered to the registered office for the time being of the Company. On receipt of such notice by the Company, the Board of the Company shall pass a resolution to remove such Investor Director and in the event such Investor Director is a regular Director of the Company pursuant to a resolution passed in a General Meeting, the Promoters and the Company shall convene a General Meeting for removal of such Investor Director and shall ensure that requisite resolutions are passed and the requisite filings with the RoC are carried out; and
 - (ii) Any vacancy occurring on the Board by reason of death, disqualification, resignation, removal or the inability to act of the Investor Director, shall be filled only by another nominee of the Investor - I intimated to the Company, in writing and signed by or on behalf of the Investor - I in the aforesaid manner. However, the Investor - I shall ensure that such nominee shall be an employee of Kotak Investment Advisors Limited.
- (f) Alternate Investor Director
- The Investor - I shall be entitled by notice in writing and signed by or on behalf of the Investor - I, addressed to the Board to nominate alternate director to act in place of the Investor Director during the absence of such Investor Director and the boards shall, on receipt of such notice, appoint such nominee as alternate Investor Director.
- (g) Committees
- (i) Within 30 (thirty) days of the First Closing Date, the Company shall constitute the following committees: -

Sr. No.	Particulars	Scope of Work
1.	Management Committee	To oversee the operations, compliance and governance of the Company and guide the overall strategy of growth.
2.	Compensation Committee	To oversee matters pertaining to compensation of the Key Managerial Personnel, Senior management, Directors and Promoters.

- (ii) Further, based on the outcome of research/study conducted by the agency/body appointed by the Company in terms of the Agreement, the Parties may mutually decide to form a Transfer Pricing Committee. Such Transfer Pricing Committee shall comprise of (i) 1 nominee from Investors, (ii) 1 independent expert on Transfer Pricing and (iii) such other members of the Board as the Company and the Promoters shall determine. Further, scope of work of such Transfer Pricing Committee shall be to oversee business transactions with associate companies, etc., compliance with applicable Transfer Pricing Law, etc.
 - (iii) Within 30 (thirty) days of the First Closing Date, the Company shall re-constitute and appoint the Investor Director on Audit Committee of the Company and pass necessary resolution to give effect to the same.
 - (iv) The provisions with respect to the meetings and appointment/replacement/removal of the Investor Director on the Board of the Company shall *mutatis mutandis* apply to the meetings and appointment/replacement/removal of the Investor Director on the aforesaid committees; and
 - (v) The Company shall hold meeting of the Management Committee at least once every quarter. Further, for such meeting to be validly convened, it shall be attended by the Investor Director, 1 Observer nominated by the Investor- I and atleast 1 (one) executive Director of the Board of the Company. The fees of the Observer, if any, shall be borne by the Investors.
- (h) Meetings of the Board
- (i) The Board shall meet at least once in every calendar quarter and at least 4 (four) such meetings shall be held in every year. In the event, a meeting of the Board is not held during any such quarter, any Director may call a meeting of the Board by giving 7 (seven) clear days prior notice to the other Directors. Notices for all meetings of the Board and/or committees shall be in writing, specifying the agenda, containing all relevant documents thereto and shall be sent to each of the Directors/members by courier and through email. Such notice shall be deemed to have been successfully sent to the Investor Director only if the receipt of its delivery (duly acknowledged by the Investor Director or its organization/company/employer) has been obtained by the Company from its courier service provider or if such Investor Director confirms such receipt on email. Provided however, on refusal to accept such notice, it would be deemed to have been validly served upon the Investor Director and the Investor Director shall be deemed to have waived his right to vote at the relevant Board meeting.
 - (ii) The quorum of a Board meeting shall be as required by the Act. However, notwithstanding anything to the contrary contained herein, in the event the agenda for any Board Meeting or committee meetings includes any of the items specified in the **First Schedule** hereto, no Board meeting and no committee meeting shall be validly convened and there shall not be deemed to be a proper quorum unless and until the Investor Director is present at such meeting. Further, no resolution shall be passed at any meetings, whether at the Board or committee(s) of the Company and/or its Subsidiaries, on the matters detailed in the **First Schedule** hereto without the positive consent of such Investor Director. However, the Investor - I can waive the aforesaid requirement in writing for any specific item enumerated in the **First Schedule** hereto. In any event, the aforesaid Investor Director is not appointed on the Board of the Company/Subsidiaries, the Company/Subsidiaries shall not pass any Board resolution dealing with any matter listed in the **First Schedule**

hereto without the prior written consent of Investor - I.

- (iii) In the event the quorum as set forth above is not achieved at any Board meeting, such meeting shall stand adjourned to the same day, at the same time of the following week or such other later date as mutually agreed by all of the Directors (“**Adjourned Board Meeting**”) and the Company shall send a written notice to all the Directors informing them about the date of the Adjourned Board Meeting. The notice for the Adjourned Board Meeting shall expressly state that the quorum for the Adjourned Board Meeting shall only be any 2 (Two) Directors present and the voting can proceed on any item included in the agenda for the Adjourned Board Meeting, including all items listed in **First Schedule** hereto, if the Investor Director is not present at such Adjourned Board Meeting. Further, even after issuance of such notice, if the Investor Director does not attend the Adjourned Board Meeting, such Adjourned Board Meeting can be held and the voting can proceed on any item, including all items listed in **First Schedule**. Provided that, the Article 235 (D) (h) (ii) above shall continue to apply to such meeting, if the Investor Director attends the Adjourned Board Meeting. Such notice shall be deemed to have been successfully sent to the Investor Director only if the receipt of its delivery (duly acknowledged by the Investor Director or its organization/company/employer) has been obtained by the Company from its courier service provider or if such Investor Director confirms such receipt on email. Provided however, on refusal to accept such notice, it would be deemed to have been validly served upon the Investor Director and the Investor Director shall be deemed to have waived his right to vote at the relevant Board meeting.
- (iv) Further, if such Adjourned Board Meeting is held for reasons other than the absence of the Investor Director at the initial Board Meeting, the provision of Article 235 (D) (h) (ii) above shall continue to apply.
- (v) Further, no actions on matters detailed in **Second Schedule** shall be carried out unless prior consent of the Board of the Company and/or its Subsidiaries has been obtained by way of a Board resolution.

(i) Circular resolutions

Subject to the Act and other than the matters enumerated in the **First Schedule** hereto, any matter to be decided by the Board may be decided by way of a circular resolution, where the draft resolution along with an explanatory note has been circulated to all Directors and the same has been consented to by a majority of the Directors.

(E) **SHAREHOLDERS MEETINGS**

(a) Quorum and Meetings

- (i) The quorum of a General Meeting shall be as required by the Act. Subject to the provisions of the Act, if agenda for any General Meeting includes any of the items specified in the **First Schedule**, no quorum at a General Meeting shall be deemed to be present unless the authorized representative or proxy of each of the Investors is present at such meeting. However, all the Investors can waive the aforesaid requirement in writing for a specific meeting.
- (ii) If at a General Meeting no quorum is present, within half-hour from the time appointed for holding such General Meeting, then the meeting shall stand adjourned to the same day, at the same time of the following week (“**Adjourned General Meeting**”) and the Company shall send a written notice to all the Investors informing them about the date of the Adjourned General Meeting. Such notice shall expressly state the members present at such Adjourned General Meeting shall constitute

quorum and can proceed to discuss and pass resolutions on any item (including the items listed in the **First Schedule** hereto) included in the agenda for the Adjourned General Meeting, if the Investors (through its proxies or representatives) are not present at such Adjourned General Meeting. Further, even after issuance of such notice, the representatives/proxies of the Investors do not attend the Adjourned General Meeting, such Adjourned General Meeting can be held and the voting can proceed on any item, including all items listed in the **First Schedule**. Provided that, the Investors' approval shall be required for the items mentioned in **First Schedule**, if the Investors (including through its proxies or representatives) attend such Adjourned General Meeting or attended initial General Meeting.

- (iii) Except as provided in Article 235 (E) (b) below, the shareholders of the Company cannot discuss or pass any resolutions in respect of the items listed in the **First Schedule** hereto at any General Meeting without the positive consent of the Investors (including through its proxies or representatives).

(b) Decisions at General Meetings

- (i) No items for approval of the shareholders shall be placed before the shareholders in a General Meeting until the same has first been approved by the Board in accordance with Article 235 (D) (h) (v) hereinabove.
- (ii) A resolution in relation to any item referred for the approval of the shareholders under Article 235 (E) (b) (i) above shall be subject to Article 235 (E) (a) above and shall be deemed to be passed at a General Meeting only if the majority decision includes the affirmative votes of the authorized representatives or proxy of each of the Investors for the matters listed in the **First Schedule** hereto.

(G) **ACCOUNTING, RECORD KEEPING & REPORTING**

- (a) The books and records of the Company and its Subsidiaries (incorporated in India) shall be kept and maintained in accordance with generally accepted accounting principles in India (applied on a consistent basis) ("**Indian GAAP**"). With respect to the Subsidiaries of the Company incorporated outside India, the books and records shall be kept and maintained according to the accounting standards applicable to such Subsidiaries. The Company shall make and keep books, records and accounts, in detail, that accurately and fairly reflect all of the transactions and disposition of its assets. The records shall include, monthly-unaudited financial statements (including a balance sheet and statements of income and cash flows) prepared in accordance with Indian GAAP. Further, the Company shall engage any of the Big Five Accounting Firms or any other accounting firm as may be mutually agreed between the Parties for the purposes of preparing the annual audited financial statements.
- (b) The Company shall furnish to the Investors the following reports/information of the Company: -
 - (i) audited consolidated annual financial statements (including balance sheets and statements of income and cash flows) and a statement of any changes in financial position of the Company and its Subsidiaries for each Fiscal Year, within 90 (ninety) days of the end of such Fiscal Year;
 - (ii) un-audited consolidated monthly statements (including balance sheets and statements of income and cash flows) within 15 (fifteen) days of the end of each month;
 - (iii) at least 30 (thirty) days prior to the end of any Fiscal Year, a detailed annual financial budget and summary operating plan for the next Fiscal Year, all as approved by the Board; and
 - (iv) Annual Compliance certificate in the format prescribed and any other relevant information requested by the Investors.

- (c) In addition, the Company shall furnish to all the Investors certified true copies of the minutes of the various Board and shareholders meetings including the minutes of the meetings of various committees of the Board.
- (d) Upon notice, the Investors and its authorized representatives (such as its attorneys, accountants and other professional advisors) shall have the right to inspect and review the books, records and financial statements of the Company and its Subsidiaries and the Company and the Subsidiaries shall, upon receipt of such notice, provide the Investors and/or its authorized representatives with such inspection and information upon being requested.

(H) **DEALING WITH SHARES**

(I)

(a)

Restriction on Transfer

- (i) Transfer of Shares among the Promoters, *inter-se*, shall be freely permissible. However, prior intimation of such transfer shall be given to all the Investors.
- (ii) Subject to the abovementioned Article 235 (H) (a) (i), the Promoters shall not (without the prior written consent of the Investors) Transfer any Shares of the Company or its Subsidiaries held by them. However, the Promoters shall be entitled to pledge or hypothecate their Shares given as a security against borrowing made by the Company or its Subsidiaries from any bank or financial institution for the purpose of its Business.
- (iii) The Investors shall not (without the prior written consent of the Board) be entitled to sell or transfer any or all of the Investor Shares to any third Person(s) at its discretion, upto 42 months from the First Closing Date. However, after the aforesaid period of 42 months, the Investors shall be entitled to sell any or all of the Investor Shares to any third persons as it may, at its sole discretion, deem fit, without any consent/approval of the Board.
- (iv) In the event any of the Promoters are permitted to transfer or any or all of the Investors are permitted to transfer ("the Transferor") any of their Shares to any person ("the Transferee"), prior to transfer of any such Shares the Transferor shall ensure that the Transferee observes and complies with the terms and conditions of this Agreement and executes a deed of adherence in the Ninth Schedule.

(b) Tag Along Right

- (i) In the event the Investors permit the Promoters or any of them to sell all or any of the Shares held by them in the Company to any third party ("**Offer Shares**") in terms of Article (H) (a) (ii), then the Promoters shall send a notice to each of the Investor stating the detailed terms of such proposed sale ("**Sale Notice**") and any of the Investors may send a tag along notice ("**Tag Along Notice**") to the Promoters, within 30 (thirty) Business Days of receiving the Sale Notice, requiring the Promoters to ensure that the proposed third party purchaser of the Offer Shares also purchases the Investor Shares at the same price and on the same terms and conditions as Offer Shares, proportionate to the Shares of the Promoters purchased or agreed to be purchased by such third party ("**Tag Along Shares**"). In the event, all the Investor Shares are not sold to such third party purchaser, pursuant to the aforesaid Sale Notice, the same shall not affect the obligation of the Promoters to buy the remaining Shares in terms of Article 235 (J) (c) below.
- (ii) In the event any of the Investors deliver a Tag Along Notice to the Promoters, the Promoters shall ensure that along with the Offer Shares, the proposed third party purchaser also acquires all (but not less than all) of the Tag Along Shares on same terms and conditions.
- (iii) In the event that the proposed third party purchaser is unwilling or unable to acquire

all of the Offer Shares and all (but not less than all) of the Tag Along Shares, upon such terms, then the Offer Shares and the Tag Along Shares shall be sold proportionately.

(J) **EMPLOYEE STOCK OPTION SCHEME**

In terms of the Employees Stock Option Scheme (“**ESOP Scheme**”) approved in the Annual General Meeting of the Company held on 18th August, 2011, the Company and the Promoters may at their discretion create an unallocated stock option pool for all employees including the Executive Directors of the Company and its Subsidiaries based on their performance against well-defined parameters (to be determined by the Company and the Promoters at their discretion) that are aligned with the long term business goals of the Company. Provided that the aggregate Shares underlying the ESOP contemplated to be issued under such ESOP Scheme shall, at no time, exceed 2 % of the paid-up share capital (on fully diluted basis) of the Company.

(L) **BUSINESS OF THE COMPANY AND THE PROMOTERS**

The Company shall not carry on any other business other than the Business.

(M) **INSURANCE**

The Company shall obtain and maintain, in full force and effect, during the term of the Agreement, Directors’ and Officers’ Liability Insurance as an indemnification for damages (losses) or defence costs in the event any such Directors/Officers suffer such losses as a result of a legal action (whether criminal, civil, or administrative) brought against them in their capacity as Directors/Officers of the Company or its Subsidiaries.

(N) **CONFIDENTIALITY AND NON-DISCLOSURE**

The terms and conditions of the Agreement including its existence but excluding the extent to which the contents of the Agreement are in public domain, shall be considered confidential information and shall not be disclosed by any Party to any third party except in accordance with the provisions set forth below and for the purposes of carrying out the actions contemplated herein.

(a) Press Releases, etc.

Announcement regarding the activities of the Company or the involvement of the Parties in relation thereto shall be made in a press release, conference, advertisement, announcement, professional or trade publication, mass marketing materials or otherwise to the general public only with the mutual consent of the Parties.

(b) Permitted Disclosures

Notwithstanding the foregoing, (i) any Party may disclose any of the contents and existence of the Agreement or any information regarding the activities of the Company to its current or bonafide prospective investors, employees, investment bankers, lenders, accountants and attorneys, on a “*need to know*” basis, in each case only where such Persons are under appropriate non-disclosure obligations (ii) any Party may disclose with the prior consent of the other Parties (other than in a press release or other public announcement) solely the fact of proposed investment in the Company without substantiating or detailing the same.

(c) Legally Compelled Disclosure

In the event that any Party is requested or becomes legally compelled (including without limitation, pursuant to securities Laws and regulations) to disclose the existence of the Agreement or any of the terms hereof in contravention of the provisions of this clause, such Party (“**Disclosing Party**”) shall provide the other Party (“**Non-Disclosing Party**”) with prompt written notice of that fact so that the appropriate Party may seek a protective order, confidential treatment or other appropriate remedy. In such event, the Disclosing Party shall furnish only that portion of the information, which is legally required.

(d) Other Information

The provisions of this Article shall be in addition to, and not in substitution of, the provisions of any separate non-disclosure agreement executed by any of the Parties hereto with respect to the transactions contemplated hereby.

(e) All notices required under this clause shall be made in terms of the Agreement.

(O) **TERMINATION AND EVENT OF DEFAULT**

(a) The Agreement shall terminate and the provisions of this Article 235 will cease to have effect upon the happening of any of the following events: (a) the Investors ceasing to hold any Investor Shares of the Company; or (b) on the successful completion of the QIPO. Upon such termination all rights and obligations of the Investors under the Agreement and the provisions of this Article 235 shall come to an end.

(b) In the event the FIPB Approval is received by the Company and the Investor - III does not make the investment in terms of the Agreement, then the Company shall send a written notice to the Investor - III to make the investment within 30 (thirty) days of the date of receipt of such notice (“**Cure Period**”). In the event Investor - III fails to make the investment within the Cure Period, then the Company shall have an option to terminate the Agreement. Notwithstanding the aforesaid, in the event the FIPB Approval is not received by the Company and the Investor – III decides not to invest in the Company and subscribe to the Shares, the Agreement and the provisions of this Article 235 shall continue and all the rights and obligations under the Agreement *vis-à-vis* Investor - I and Investor - II shall continue to remain in effect.

(c) The Agreement shall stand terminated and the provisions of this Article 235 shall cease to have effect on 31st December 2017. Upon such termination all rights and obligations of the Investors under the Agreement shall come to an end. Provided however, if Investors have called upon the Company and/or the Promoters to buy-back the Investor Shares in terms of the Agreement and the Company and/or the Promoters have failed to buy-back all the Investor Shares, then the Agreement and the provisions of this Article 235 shall continue to remain in effect until such time the buy-back is completed under in terms of the Agreement.

(d) A material breach of the Agreement may be any of the following events: -

- (i) a breach of the provisions regarding the restrictions on Transfer of Shares by the Promoters or by any of the Investors as the case may be;
- (ii) a breach of the provisions regarding non-competition by the Promoters save and except to the extent provided in the Agreement;
- (iii) the Promoters or any of them cease to be associated with the Company;
- (iv) Advanced Enzymes USA or Cal-India ceases to be a subsidiary of the Company;
- (v) the Promoters are unable to provide the Investors with an exit under the provisions of the Article 235 (J) (c) above;
- (vi) if the Promoters or the Company or any of them is in breach of or fails to observe or comply with any material term covenant or obligation contained in the Agreement, which breach or failure, if capable of cure or remedy, has not been cured or remedied within 30 (thirty) Business Days of the receipt of written notice of such breach or failure from the Investor(s);
- (vii) if any of the Parties is in material breach of any of its representations or warranties contained in the Agreement;
- (viii) the occurrence of any insolvency event or winding up with respect to the Promoter(s);
- (ix) any proceeding being filed or resolutions being passed in respect of the winding-up, dissolution or liquidation of the Company;

- (x) the Company ceases to or is unable to engage in the Business for any reason whatsoever, other than in the event the Business becomes illegal due to any act or change in policies of the Government of India; and
- (xi) any act or omission by the Promoters constituting fraud, gross wilful misconduct, theft or embezzlement or any act or omission by any person, constituting fraud, gross wilful misconduct, theft or embezzlement and the benefits of which accrue directly or indirectly to any of the Promoters.

Notwithstanding anything herein contained, the inability of the Company and the Promoters to offer an exit to the Investors as per Articles 235 (J) (a) and 235 (J) (b) shall not amount to a breach or a default of the Agreement. Further, in the event the Company is unable to buy-back the Investor Shares under Article 235 (J) (c) (i), (ii) and (iii) above, the same shall not amount to a breach or a default of the Agreement.

- (e) In the event, the Company or the Promoters commits a material breach of the Agreement (“**Defaulting Party**”), then any of the Investors (“**Aggrieved Party**”) shall give a notice to the Defaulting Party, which notice shall specify the nature of the breach and call upon the Defaulting Party committing the breach to remedy/rectify the breach (if such breach is capable of being rectified) within 30 (thirty) days of receipt of the said notice (“**Cure Period**”).

(P) **INDEMNITY**

- (a) Without prejudice to any other rights, each Party to the Agreement (hereinafter referred to as the (“**Indemnifying Party**”) shall indemnify and agrees to defend and to keep the other (“**Indemnified Party**”) indemnified and saved harmless against all costs, expenses (including attorneys’ fees), charges, loss, damages, claims, demands or actions of whatsoever nature suffered or sustained by the Indemnified Party by reason of any representation and warranty by the Indemnifying Party found to be misleading or untrue and failure by the Indemnifying Party to fulfill its obligations/undertakings under the Agreement.
- (b) Each of the Promoters and the Company shall jointly and severally indemnify, defend and hold harmless, the Investors, its Affiliates, directors and employees (together the “**Indemnified Parties**”), promptly upon demand at any time and from time to time, against any and all losses suffered or that may be suffered by the Indemnified Parties, arising out of or in connection with: -
 - (i) any material breach of any representation or warranty or any covenant or term of the Agreement; or
 - (ii) any gross negligence or willful misconduct on the part of the Promoters and/or the Company; or
 - (iii) any legal claims made by third parties relating to ownership of securities of the Company or for any undisclosed debt or liability of the Company which is not fairly disclosed in the financial statements, whether such loss is incurred or suffered before or after the First and/or the Second Closing Date.
- (c) The indemnification rights of the Investors under the Agreement are independent of, and in addition to, such other rights and remedies that the Investors may have at Law or in equity or otherwise, including the right to seek specific performance, rescission, restitution or other injunctive relief, none of which rights or remedies shall be affected or diminished thereby.
- (d) It is clarified that the benefit of the representations, warranties and of the indemnities shall to the extent of loss accrued to the Investor Shares at any time on or after the date of the Agreement.
- (e) In respect of any matter in relation to which the Investors are entitled to be indemnified by the Company and/or the Promoters under the Agreement, the Investors shall be entitled, at their option, to proceed against either or both the Company and/or the Promoters and the Company and the Promoters shall be jointly and severally liable in this regard.

(Q) CONFLICT WITH THE AGREEMENT

In the event of any conflict between the terms of the Agreement and this Articles of Association the provisions of the Agreement shall prevail and this Articles of Association shall be duly amended to such extent as may be required in order that such conflict be removed. The invalidity, illegality or unenforceability of any one or more provisions of the Articles of Association shall not affect the validity or enforceability of the other provisions of the Agreement, if separately enforceable, and without otherwise diluting the obligations undertaken herein by the Parties to the Agreement. If for any reason whatsoever any provision of this Articles of Association is or becomes, or is declared by a court of competent jurisdiction to be, invalid, illegal or unenforceable, then the Company shall negotiate in good faith, with the Investors, to agree on one or more provisions to be substituted, therefore, which provisions shall, as nearly as practicable, leave the Parties in the same or nearly similar position to that which prevailed prior to such invalidity, illegality or unenforceability.

**THE FIRST SCHEDULE HEREINABOVE REFERRED TO
MATTERS REQUIRING AFFIRMATIVE VOTE OF THE INVESTOR/INVESTOR
DIRECTOR**

1. Altering, amending or modifying the Memorandum and/or the Articles of Association of the Company and the Subsidiaries save and except an amendment to the Articles of Association in accordance with Article 235;
2. Altering, amending or modifying the rights, preferences and privileges provided to the Investors pursuant to the subscription of Investor Shares, whether the same are provided in this Articles of Association or not save and except an amendment to rights of the Parties in accordance with Article 235;
3. Recommending or effecting any alterations to the Company's or Subsidiaries' share capital, including reduction and capitalization of reserves except pursuant to a buy back of shares as per the Agreement;
4. Any decision which can or has the potential to materially affect/change the Company's or any Subsidiary's capital structure;
5. Any decision relating to infusion of fresh equity capital in the Subsidiaries or divestment of any stake in the Subsidiaries;
6. Valuations in respect of all fresh issues of capital and/or other financial instruments, buy backs, splits, distribution of profits, business re-organization/restructuring, etc. by the Company and its Subsidiaries;
7. Any decision/action of reclassifying or altering the terms of any kind of outstanding shares of the Company or its Subsidiaries which has the effect of altering the preferences/priority of the Investor Shares with respect to dividend, voting, etc.;
8. To approve merger or consolidation with, or acquisition by the Company/Subsidiaries of any business or other entity/company or to demerge any part, undertaking or division of the Company/Subsidiaries;
9. To liquidate, dispose off, lease, license or Transfer all or substantially all of the assets of the Company or its Subsidiaries;
10. To register/approve the transfer of Shares other than in accordance with the terms of the Agreement and this Articles of Association of the Company;
11. To create or take on record any charge or encumbrance on the Shares except with respect to borrowings by the Company/Subsidiaries from banking and financial institutions; and
12. To approve the size and terms of any public offering by the Company of its securities (other

than the QIPO) or any later round of equity financing.

SECTION X –OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts which have been entered or are to be entered into by our company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of this Red Herring Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company on Working Days, from date of filing this Red Herring Prospectus with RoC to Bid / Offer Closing Date.

MATERIAL CONTRACTS

1. Offer Agreement dated January 18, 2016 amongst our Company, the Selling Shareholders and the BRLMs appointing them as the Book Running Lead Managers to the Offer, as amended.
2. Memorandum of Understanding dated January 18, 2016 amongst our Company, the Selling Shareholders and Link Intime India Private Limited appointing them as Registrar to this Offer, as amended.
3. Tripartite Agreement dated June 6, 2013 amongst our Company, NSDL and Link Intime India Private Limited.
4. Tripartite Agreement dated May 23, 2013 amongst our Company, CDSL and Link Intime India Private Limited.
5. Cash Escrow Agreement dated July 9, 2016 amongst our Company, the Selling Shareholders, the BRLMs, Anchor Escrow Banks and the Registrar to the Offer.
6. Syndicate Agreement dated July 9, 2016 amongst our Company, the Selling Shareholders, BRLMs and the Syndicate Members.
7. Underwriting Agreement dated [●] amongst our Company, the Selling Shareholders and the Underwriters.
8. Share Escrow Agreement dated July 9, 2016 between the Selling Shareholders, our Company and the Share Escrow Agent.

MATERIAL DOCUMENTS

9. The Memorandum and Articles of Association of our Company, as amended from time to time.
10. Copy of Certificate of Incorporation dated March 15, 1989 issued by the Registrar of Companies Mumbai, Maharashtra.
11. Fresh Certificate of Incorporation dated May 28, 1992 issued by the Registrar of Companies, Mumbai, Maharashtra.
12. Fresh Certificate of Incorporation dated August 19, 2005 issued by the Registrar of Companies, Mumbai, Maharashtra.
13. Annual General Meeting resolution dated September 1, 2015, in relation to the Offer and other related matters.
14. Board resolution dated July 24, 2015, in relation to the Offer and other related matters.
15. Investor Selling Shareholders Consent Letters dated January 18, 2016.

16. Promoter Group Selling Shareholders Transmittal Letters dated January 11, 2016 and the amended transmittal letter from Mr. Kishor Laxminarayan Rathi dated May 16, 2016.
17. Other Selling Shareholders - I Consent Letters.
18. Other Selling Shareholders - II Transmittal Letters dated January 11, 2016 and December 23, 2015.
19. Board Resolution dated January 11, 2016 of Chandrakant Rathi Innovations and Projects Private Limited approving the offer for sale of Equity Shares offered by it in the Offer for Sale.
20. Certified copy of the extract of resolution dated January 11, 2016 of Kotak India Venture (Offshore) Fund approving the offer for sale of of Equity Shares offered by it in the Offer for Sale.
21. Certified copy of the extract of resolution dated December 10, 2015 of Kotak India Venture Fund I approving the offer for sale of of Equity Shares offered by it in the Offer for Sale.
22. Certified copy of the extract of resolution dated December 18, 2015 of Kotak Employees Investment Trust approving the offer for sale of of Equity Shares offered by it in the Offer for Sale.
23. Share Subscription and Shareholders' Agreement dated June 22, 2012 between the Company, its Promoters, Kotak India Venture Fund I, Kotak Employees Investment Trust and Kotak India Venture (Offshore) Fund.
24. Amendment Letter dated January 7, 2016 between the Company, its Promoters, Kotak India Venture Fund I, Kotak Employees Investment Trust and Kotak India Venture (Offshore) Fund.
25. Copy of agreement dated September 10, 2015 for reappointment and remuneration of our current Managing Director, Mr. Chandrakant Laxminarayan Rathi.
26. Copy of letter dated August 14, 2014 for appointment and remuneration of our current Whole-time Director, Mr. Mukund Madhusudan Kabra.
27. Copy of agreement dated December 28, 2015 for reappointment and remuneration of our current Whole-time Director, Mrs. Savita Rathi.
28. Copy of Examination Reports and the Unconsolidated Financial Information, as restated, of our Company and Consolidated Financial Information, as restated, of our Company, for fiscal years 2012, 2013, 2014, 2015 and 2016 by the Statutory Auditors, Walker Chandio & Co LLP dated June 29, 2016 and June 29, 2016, respectively included in this Red Herring Prospectus.
29. Copies of the Annual Reports of our Company for the fiscal years, 2012, 2013, 2014 and 2015.
30. Copy of the ABL – Employee Stock Option Scheme 2002.
31. Copy of the Advanced Enzyme Technologies Limited – Employees Stock Option Scheme 2015.
32. Statement of Tax Benefits dated June 29, 2016 issued by the Statutory Auditors of the Company, Walker Chandio & Co LLP.
33. RBI approval for transfer of shares from certain NRI shareholders offering their shares in the Offer for Sale, to Non-resident investors applying in the Offer, dated June 7, 2016.
34. Consents in writing from our Directors, Company Secretary, Compliance Officer, Statutory Auditors, Bankers to our Company, Lenders to our Company, Bankers to the Offer, Book Running Lead Manager(s), Syndicate Member(s), Underwriter(s), Registrar of the Offer, Legal Advisor to the Offer, Legal Advisor to the BRLMs to act in their respective capacities.

35. Due Diligence Certificate dated January 18, 2016 to SEBI from ICICI Securities Limited and Axis Capital Limited, the Book Running Lead Managers to the Offer.
36. Stock Purchase Agreement dated April 4, 2011 entered into between Advanced Enzymes USA, Mr. Vasant Laxminarayan Rathi, Ms. Rachana Rathi, Ms. Rasika Rathi and Ms. Reshma Rathi.
37. Stock Purchase Agreement dated October 31, 2012 entered into between Advanced Enzymes USA, Mr. Vasant Laxminarayan Rathi, Ms. Rachana Rathi, Ms. Rasika Rathi and Ms. Reshma Rathi.
38. Agreement dated October 5, 1993, entered into between our Company and Super Organic Research Laboratories.
39. SEBI observation letter no. SEBI/HO/CFD/DIL-1/OW/P/2016/12571/1 dated April 29, 2016.

Any of the contracts or documents mentioned in this RHP may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

SECTION XI – DECLARATION

DECLARATION BY OUR COMPANY

We hereby declare that all the relevant provisions of the Companies Act and the guidelines issued by the Government of India or the regulations or guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SEBI Act or rules or regulations made thereunder or guidelines issued, as the case may be. We further certify that all the disclosures and statements in this Red Herring Prospectus are true and correct.

SIGNED BY ALL THE DIRECTORS OF OUR COMPANY

Mr. Chandrakant Laxminarayan Rathi
Managing Director

Mr. Vasant Laxminarayan Rathi
Non-Executive and Non-Independent Director

Mr. Kedar Jagdish Desai
Chairman Non-Executive and Independent Director

Mrs. Savita Chandrakant Rathi
Whole-time Director

Mr. Mukund Madhusudan Kabra
Whole-time Director

Mr. Pradip Bhailal Shah
Non-Executive and Non-Independent Director

Mr. Venkata Ramakrishna Kunisetty
Non-Executive and Nominee Director

Ms. Rupa Rajul Vora
Non-Executive and Independent Director

Mr. Ramesh Thakorlal Mehta
Non-Executive and Independent Director

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Mr. Beni Prasad Rauka
Chief Financial Officer

Date: July 11, 2016

Place: Mumbai

DECLARATION

I, the undersigned, on behalf of Kotak India Venture (Offshore) Fund hereby, certify that all statements and undertakings made by us in this Red Herring Prospectus in relation to ourselves or in connection with the Equity Shares offered by us in the Offer for Sale, are true and correct. However, we assume no responsibility for any other statements, including the statements made by the Company, in this Red Herring Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

For and on behalf of Kotak India Venture (Offshore) Fund

Husayn Sassa
Director

Date: July 11, 2016

DECLARATION

We, Kotak Employees Investment Trust (through our Trustees Mr. Jaimin Bhatt, Mr. K. V. S. Manain and Mr. Chandrashekhar Sathe), certify that all statements and undertakings made by us in this Red Herring Prospectus in relation to ourselves or in connection with the Equity Shares offered by us in the Offer for Sale, are true and correct. We assume no responsibility for any other statements, including the statements made by the Company, in this Red Herring Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

Name: Mr. Nitin Deshmukh and Mr. K. V. Ramakrishna

Authorized signatory on behalf of

Kotak Employees Investment Trust
(through our Trustees Mr. Jaimin Bhatt, Mr. K. V. S. Manain and Mr. Chandrashekhar Sathe)

Date: July 11, 2016

DECLARATION

We, Kotak India Venture Fund I (through our trustee, Kotak Mahindra Trusteeship Services Limited, represented by Kotak Investment Advisors Limited, the investment manager) certify that all statements and undertakings made by us in this Red Herring Prospectus in relation to ourselves or in connection with the Equity Shares offered by us in the Offer for Sale, are true and correct. We assume no responsibility for any other statements, including the statements made by the Company, in this Red Herring Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

Name: Mr. Nitin Deshmukh and Mr. K. V. Ramakrishna

Authorized signatory on behalf of

Kotak India Venture Fund I (through our trustee, Kotak Mahindra Trusteeship Services Limited, represented by Kotak Investment Advisors Limited, the investment manager)

Date: July 11, 2016

DECLARATION

We, Vasant and Prabha Rathi Generation Trust, certify that all statements and undertakings made by us in this Red Herring Prospectus specifically in relation to ourselves or the Equity Shares offered by us in the Offer for Sale or in connection with the Issue (including but not limited to any of the statements made by or relating to the Company in this Red Herring Prospectus), are true and correct.

SIGNED BY THE SELLING SHAREHOLDER

Name: Vasant Laxminarayan Rathi

Authorized signatory on behalf of

Vasant and Prabha Rathi Generation Trust

Date: July 11, 2016

DECLARATION

I, Vasant Laxminarayan Rathi, certify that all statements and undertakings made in this Red Herring Prospectus in specifically in relation to myself or the Equity Shares offered by me in the Offer for Sale or in connection with the Issue (including but not limited to any of the statements made by or relating to the Company in this Red Herring Prospectus), are true and correct.

SIGNED BY THE SELLING SHAREHOLDER

Vasant Laxminarayan Rathi

Date: July 11, 2016

DECLARATION

I, Kishor Laxminarayan Rathi, certify that all statements and undertakings made by me in this Red Herring Prospectus in relation to myself or the Equity Shares offered by me in the Offer for Sale or in connection with the Issue (including but not limited to any of the statements made by or relating to the Company in this Red Herring Prospectus), are true and correct..

SIGNED BY THE SELLING SHAREHOLDER

Kishor Laxminarayan Rathi

Date: July 11, 2016

DECLARATION

I, Mangala Madhusudan Kabra, certify that all statements and undertakings made by me in this Red Herring Prospectus specifically in relation to myself or the Equity Shares offered by me in the Offer for Sale or in connection with the Issue (including but not limited to any of the statements made by or relating to the Company in this Red Herring Prospectus), are true and correct.

SIGNED BY THE SELLING SHAREHOLDER

Mangala Madhusudan Kabra

Date: July 11, 2016

DECLARATION

We, Chandrakant Rathi Innovations and Projects Private Limited, certify that all statements and undertakings made by us in this Red Herring Prospectus specifically in relation to ourselves or the Equity Shares offered by us in the Offer for Sale or in connection with the Issue (including but not limited to any of the statements made by or relating to the Company in this Red Herring Prospectus), are true and correct.

SIGNED BY THE SELLING SHAREHOLDER

Name: Chandrakant Laxminarayan Rathi

Authorized signatory on behalf of

Chandrakant Rathi Innovations and Projects Private Limited

Date: July 11, 2016

DECLARATION

I, Pradip Bhailal Shah, certify that all statements and undertakings made by me in this Red Herring Prospectus specifically in relation to myself or in connection with the Equity Shares offered by me in the Offer for Sale, are true and correct. I assume no responsibility for any other statements, including the statements made by the Company, any other Selling Shareholder, any expert or any other person, in this Red Herring Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

Pradip Bhailal Shah

Date: July 11, 2016

DECLARATION

I, Mukund Madhusudan Kabra, certify that all statements and undertakings made by me in this Red Herring Prospectus specifically in relation to myself or in connection with the Equity Shares offered by me in the Offer for Sale, are true and correct. I assume no responsibility for any other statements, including the statements made by the Company, any other Selling Shareholder, any expert or any other person, in this Red Herring Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

Mukund Madhusudan Kabra

Date: July 11, 2016

DECLARATION

Each undersigned selling shareholder, certifies that all statements and undertakings made by the respective selling shareholder in this Red Herring Prospectus specifically in relation to itself or in connection with the Equity Shares offered by the respective selling shareholder in the Offer for Sale, are true and correct. Each undersigned selling shareholder assumes no responsibility for any other statements, including the statements made by the Company, any other Selling Shareholder, any expert or any other person, in this Red Herring Prospectus.

SIGNED BY THE OTHER SELLING SHAREHOLDERS - I, ACTING THROUGH MR. KEDAR JAGDISH DESAI, POWER OF ATTORNEY HOLDER

Name: Kedar Jagdish Desai

(Attorney holder)

Date: July 11, 2016

ANNEXURE A: LIST OF OTHER SELLING SHAREHOLDERS – I

Sr. No.	Name	Maximum Number of Equity Shares Offered	Pre-Offer		Post-Offer		Date Of Consent Letter
			Number of Equity Shares	% of Paid-up Capital	Number of Equity Shares	% of Paid- up Capital	
1.	Dipak Rameshchandra Roda	12,400	26,400	0.12	[●]	[●]	December 18, 2015
2.	Gitanjali Mukund Kabra	20,000	35,100	0.16	[●]	[●]	December 10, 2015
3.	Madhusudan Kabra	40,000	82,000	0.38	[●]	[●]	December 10, 2015
4.	Lila Kishor Rathi	20,000	55,300	0.25	[●]	[●]	December 8, 2015
5.	Anil Kumar Gupta	18,000	49,000	0.23	[●]	[●]	December 11, 2015
6.	Bhaskar Bhalchandra Manolkar	5,000	10,500	0.05	[●]	[●]	December 7, 2015
7.	Shrinivas Kabra	12,000	22,000	0.10	[●]	[●]	December 10, 2015
8.	Manisha Omprakash Mantri	20,000	20,000	0.09	[●]	[●]	December 9, 2015
9.	Subhash Damu Chakor	6,000	12,800	0.06	[●]	[●]	December 4, 2015
10.	Rajendra Mahadevrao Newase	4,400	9,400	0.04	[●]	[●]	December 7, 2015
11.	Atul Ishwarlal Biyani	3,000	10,180	0.05	[●]	[●]	December 10, 2015
12.	Pradeep Haribhau Bhosale	1,200	12,800	0.06	[●]	[●]	December 7, 2015
13.	Gulab Totaram Patil	200	400	0.00	[●]	[●]	December 9, 2015
14.	Chanrabhan Vishnu Arkhade	400	800	0.00	[●]	[●]	December 9, 2015
15.	Dattatray Nilkanth Pande	500	500	0.00	[●]	[●]	December 10, 2015
16.	Jitendra Deoman Kesawalekar	400	400	0.00	[●]	[●]	December 11, 2015
17.	Harshal Sitaram Kadam	500	500	0.00	[●]	[●]	December 10, 2015
18.	Shakuntala	1,840	6,840	0.03	[●]	[●]	December

Sr. No.	Name	Maximum Number of Equity Shares Offered	Pre-Offer		Post-Offer		Date Of Consent Letter
			Number of Equity Shares	% of Paid-up Capital	Number of Equity Shares	% of Paid-up Capital	
	Chandrakant Soni						9, 2015
19.	Kiran Vishwanath Bhavsar	500	500	0.00	[●]	[●]	December 10, 2015
20.	Raju Baliram Sutar	600	1,200	0.01	[●]	[●]	December 14, 2015
21.	Vasant Bhadane	600	1,200	0.01	[●]	[●]	December 14, 2015
22.	Arvind Gulab Arote	400	400	0.00	[●]	[●]	December 14, 2015
23.	Harshad Ravilal Doshi	18,800	24,800	0.11	[●]	[●]	December 14, 2015
24.	Hemlataben Bhailal Shah	30,000	50,000	0.23	[●]	[●]	December 11, 2015
25.	Rajendra Bhailal Shah	30,000	68,200	0.31	[●]	[●]	December 11, 2015
26.	Surendra Ashokchandra Shah	12,400	12,400	0.06	[●]	[●]	December 14, 2015
27.	Kiritkumar R Malbari	12,400	12,400	0.06	[●]	[●]	December 14, 2015
28.	Mukesh Ravilal Doshi	12,400	12,400	0.06	[●]	[●]	December 14, 2015
29.	Tarla Shah	4,400	4,400	0.02	[●]	[●]	December 14, 2015
30.	Harshad J. Kothari	12,400	12,400	0.06	[●]	[●]	December 14, 2015
31.	Shailesh Rajesh Agrawal	10,000	10,100	0.05	[●]	[●]	December 12, 2015
32.	Beni Prasad Rauka	16,400	48,000	0.22	[●]	[●]	December 15, 2015
33.	Vaishali Sanjay Pati	400	1,100	0.01	[●]	[●]	December 14, 2015
34.	Vinod Kumar Sharma	2,000	11,480	0.05	[●]	[●]	December 7, 2015 and June 23, 2016
35.	Jaiprakash Joshi	1,400	6,400	0.03	[●]	[●]	December 8, 2015 and June 23, 2016
36.	Shrikant Vyas	5,800	5,800	0.03	[●]	[●]	December 8, 2015
37.	Himanshu Vyas	8,400	8,400	0.04	[●]	[●]	December 8, 2015
38.	Prabhat Joshi	5,600	5,600	0.03	[●]	[●]	December 8, 2015

Sr. No.	Name	Maximum Number of Equity Shares Offered	Pre-Offer		Post-Offer		Date Of Consent Letter
			Number of Equity Shares	% of Paid-up Capital	Number of Equity Shares	% of Paid- up Capital	
39.	Neelam P. Sanghvi	4,400	4,400	0.02	[●]	[●]	December 15, 2015
40.	Nirmala Bhupendra Doshi	40,000	40,000	0.18	[●]	[●]	December 15, 2015
41.	Ramesh N. Patil	1,600	1,600	0.01	[●]	[●]	December 15, 2015
42.	Kashinath Sopanrao Patil	500	500	0.00	[●]	[●]	December 14, 2015
43.	Ganesh Desale	500	800	0.00	[●]	[●]	December 14, 2015
44.	Satish Harishchandra Ajmire	500	500	0.00	[●]	[●]	December 14, 2015
45.	Mahesh Piraji Khare	500	600	0.00	[●]	[●]	December 14, 2015
46.	Suresh Paharia	10,000	20,000	0.09	[●]	[●]	December 17, 2015
47.	Mushtaque Ahmed Shaikh Lal Patel	500	1,160	0.01	[●]	[●]	December 15, 2015
48.	Vincent Dias	5,400	14,000	0.06	[●]	[●]	December 18, 2015
49.	Vadiraj Jahagirdar	5,000	11,200	0.05	[●]	[●]	December 18, 2015
50.	Mukesh Jayantilal Parekh	500	3,200	0.01	[●]	[●]	December 18, 2015
51.	Narayan Yashawant Patil	9,330	16,800	0.08	[●]	[●]	December 17, 2015
52.	Anil Ramdayal Attal	2,400	2,400	0.01	[●]	[●]	December 18, 2015
53.	Sunita Sunil Attal	13,000	16,000	0.07	[●]	[●]	December 18, 2015
54.	Onkar Ramdayal Attal	2,400	2,400	0.01	[●]	[●]	December 18, 2015
TOTAL		447,270	7,87,660	3.62	[●]	[●]	-

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