RED HERRING PROSPECTUS
September 21, 2016
Read section 32 of the Companies Act, 2013
Book Built issue

Sakar Healthcare Limited

Our Company was incorporated as "Sakar Healthcare Private Limited" at Ahmedabad, Gujarat as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 26, 2004 bearing Corporate Identification Number U24231GJ2004PTC043861 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, our Company was converted into public company pursuant to shareholders resolution passed in the Extraordinary General Meeting held on March 09, 2015 and the Company was converted into a public limited Company vide fresh certificate of incorporation issued on March 27, 2015 by Registrar of Companies, Gujarat, Ahmedabad and the name of our Company was changed to "Sakar Healthcare Limited". The Corporate Identification Number of our Company is U24231GJ2004PLC043861. For details of incorporation, change of name and registered office of our Company, please refer to chapter titled "General Information" and "Our History and Certain Other Corporate Matters" beginning on page 58 and 170 respectively of this Red Herring Prospectus.

Registered Office: Plot No. 10/13, Nr. M N. Desai Petrol Pump, Sarkhej Bavla Highway, Changodar, Ahmedabad – 382 213, Gujarat, India
Tel. No.: +91 2717 250477; **Fax No**.: +91 2717 251 621; **E-mail**: info@sakarhealthcare.com; **Website**: www.sakarhealthcare.com
Contact Person: Pratixa Seju, Company Secretary and Compliance Officer
PROMOTER OF OUR COMPANY: SANJAY SHAH, RITA SHAH AND AARSH SHAH

THE ISSUE

INITIAL PUBLIC OFFER CONSISTING OF FRESH ISSUE OF 29,61,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FULLY PAID FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. [●] PER EQUITY SHARE) (THE "ISSUE PRICE") AGGREGATING UP TO RS. [●] LAKHS (THE "ISSUE"), OF WHICH 1,53,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE, AGGREGATING RS. [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 28,08,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE, AGGREGATING RS. [●] LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.01% AND 25.62% RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM") AND WILL BE ADVERTISED IN [●] EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER [●], [●] EDITIONS OF THE HINDI NATIONAL NEWSPAPER [●] AND [●] EDITIONS OF THE GUJARATI NEWSPAPER [●] (GUJARATI BEING THE REGIONAL LANGUAGE OF GUJARAT WHERE OUR REGISTERED OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST 5 (FIVE) WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE WITH THE RELEVANT FINANCIAL RATIOS CALCULATED AT THE FLOOR PRICE AND THE CAP PRICE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE EMERGE", REFERRED TO AS THE "STOCK EXCHANGE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE

In case of any revisions in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the website of the BRLM and the terminals of the Syndicate Members (defined herein below).

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to the chapter titled "Issue Procedure" beginning on page **277** of this Red Herring Prospectus. A copy will be delivered for registration to the Registrar as required under Section 32 of the Companies Act, 2013.

THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED FROM TIME TO TIME ("SEBI (ICDR) REGULATIONS").FOR FURTHER DETAILS PLEASE REFER THE SECTION TITLED 'ISSUE INFORMATION' BEGINNING ON PAGE 268 OF THIS RED HERRING PROSPECTUS.

RISK 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. The face value of the Equity Shares is Rs. 10 each. The Floor Price is [●] times the face value and the Cap Price is [●] times the face value. The Issue Price (determined and justified by our Company in consultation with the BRLM as stated in "Basis for Issue Price" on page 98 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 Issue 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 the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 19 of this Red Herring Prospectus.

COMPANY'S 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 Issue, which is material in the context of the Issue; 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 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.

LISTING

The Equity Shares of our Company issued through this Red Herring Prospectus are proposed to be listed on the SME platform of National Stock Exchange of India Limited ('NSE EMERGE'). In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009 as amended from time to time. However, our Company has received an approval letter dated September 21, 2016 from NSE for using its name in the Issue document for listing of our shares on the SME Platform of NSE. For the purpose of this Issue, SME Platform of the NSE shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE
PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED 406-408, Keshva Premises, Behind Family Court, Bandra Kurla Complex, Bandra East, Mumbai - 400051 **Tel**: +91-22 61946725 **Fax**: +91-22 2659 8690 **Website:**www.pantomathgroup.com **Email:** ipo@pantomathgroup.com **Investor Grievance Id:** ipo@pantomathgroup.com **Contact Person:** Saahil Kinkhabwala **SEBI Registration No:**INM000012110	**LINK INTIME INDIA PRIVATE LIMITED** C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078 Maharashtra , India **Tel:** +91 2596 3838 **Fax:** +91 2594 6969 **Email:** shl.ipo@linkintime.co.in **Website:** www.linkintime.co.in **Investor Grievance Id**: shl.ipo@linkintime.co.in **Contact Person:** Vishwas Attavar **SEBI Registration Number: INR000004058**

BID / ISSUE PROGRAMME

BID / ISSUE OPENS ON:	BID / ISSUE CLOSES ON:
FRIDAY, SEPTEMBER 30, 2016	WEDNESDAY, OCTOBER 5, 2016

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The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended ("U.S. Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. Persons" (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

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 application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction

SECTION I – GENERAL

DEFINITION AND ABBREVIATION

In this Red Herring Prospectus, unless the context otherwise requires, the terms and abbreviations stated hereunder shall have the meanings as assigned therewith.

COMPANY RELATED TERMS

Term	Description
"AOA" or "Articles" or "Articles of Association"	The Articles of Association of our Company, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as the Company's Audit Committee in accordance with Section 177 of the Companies Act, 2013.
Board of Directors/ the Board / our Board	The Board of Directors of our Company, as duly constituted from time to time, including Committee(s) thereof.
Bankers to the Company	Such banks which are disclosed as bankers to our Company in the chapter titled "*General Information*" on page 58 of this Red Herring Prospectus.
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Pratixa Seju
Director(s)	Director(s) of our Company , unless otherwise specified
Equity Shares	Equity Shares of our Company of face value of Rs. 10 each fully paid up.
Equity Shareholders	Persons/ Entities holding Equity Shares of our Company
Group Companies	Such Companies as are included in the chapter titled '*Our Group Companies*' beginning on page 192 of this Red Herring Prospectus
ISIN	International Securities Identification Number. In this case being INE732S01012
"MOA" / "Memorandum / Memorandum of Association"	The Memorandum of Association of our Company, as amended from time to time.
"Promoter", "Promoters" or "our Promoters"	Promoters of our Company being Sanjay Shah, Rita Shah And Aarsh Shah
Promoter Group	Includes such persons and entities constituting our promoter group in terms of Regulation 2(1)(zb) of the SEBI (ICDR) Regulations and as enlisted in the chapter titled "*Our Promoter and Promoter Group*" beginning on page 188 of this Red Herring Prospectus.
Peer Reviewed Auditor	Independent Auditor having a valid Peer Review Certificate in our case being M/s Shah & Dalal, Chartered Accountants, Chartered Accountants.
Registered Office	The Registered office of our Company situated at Plot No. 10/13, Nr. M N. Desai Petrol Pump, Sarkhej Bavla Highway, Changodar, Ahmedabad – 382 213,Gujarat.
RoC / Registrar of Companies	Registrar of Companies, ROC Bhavan , Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013.
Shareholders	Shareholders of our Company
"Statutory Auditor" / "Auditor"	The Statutory Auditor of our Company, being M/s. A. L. Thakkar & Co., Chartered Accountants, Chartered Accountants.
"Sakar Healthcare Limited" or "Sakar", "SHL" or "the Company" ,or "our Company" or "we", "us", "our", or "Issuer" or the "Issuer Company"	Sakar Healthcare Limited, a Public Limited Company incorporated under the Companies Act, 1956
"you", "your" or "yours"	Prospective investors in this Issue

ISSUE RELATED TERMS

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid.
Allotment/ Allot/ Allotted	Issue and allotment of Equity Shares of our Company pursuant to the Issue of the Equity Shares to successful Bidders
Allottee(s)	Successful Bidders(s) to whom Equity Shares have been allotted/transferred.
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account
ASBA Account	An account maintained with an SCSB and specified in the Bid cum Application Form submitted by Bidders for blocking the Bid Amount mentioned in the Bid cum Application Form
ASBA form	An application form, whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of this Red Herring Prospectus.
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Surat and Ahmedabad
Banker(s) to the Issue	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being ICICI Bank Limited
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under chapter titled "*Issue Procedure*" beginning on page 277 of this Red Herring Prospectus.
Bid	An indication to make an issue during the Bid/Issue Period by a Bidder pursuant to submission of the Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in accordance with the Red Herring Prospectus and Bid cum Application Form
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue
Bid cum Application form	The form used by a Bidder, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus
Bid Cum Application Collecting Intermediaries	1. a SCSB with whom the bank account to be blocked, is maintained 2. a syndicate member (or sub-syndicate member) If any 3. a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity)('broker') if any 4. a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity) 5. a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for

Term	Description
	this activity)
Bid Lot	[●] Equity shares and in multiples of [●] Equity Shares thereafter
Bid/ Issue Closing Date	The date after which the Syndicate, the Designated Branches and the Registered Brokers will not accept any Bids, which shall be notified in [●] edition of the English national newspaper [●], [●] edition of the Hindi national newspaper [●], and [●] edition of the Gujarati newspaper [●], each with wide circulation and in case of any revision, the extended Bid/Issue Closing Date shall also be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations
Bid/ Issue Opening Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in [●] edition of the English national newspaper [●], [●] edition of the Hindi national newspaper [●], and [●] edition of the Gujarati newspaper [●], each with wide circulation, and in case of any revision, the extended Bid/Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.
Bidder	Any prospective Resident Indian investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied
Bidding/collecting Centre	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e, Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Issue is being made
Book Running Lead Managers or BRLM	The book running lead manager to the Issue namely Pantomath capital Advisors Private Limited
Broker Centres	Broker centres notified by the Stock Exchanges, where the 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 Brokers, are available on the website of NSE India Limited.
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/ transferred, 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 will not be finalised and above which no Bids will be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Cut-off Price	Issue Price, which shall be any price within the Price Band finalised by our Company in consultation with the BRLM. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non Institutional Bidders are not entitled to Bid at the Cut-off Price.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no.

Term	Description
	CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branch/Designated Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Demographic Details	The demographic details of the Bidders/Applicants such as their address, PAN, occupation and bank account details
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Date	The date on which funds blocked by SCSB are transferred from the ASBA account to the Public Issue Account after filing of Red Herring Prospectus with RoC.
Designated Intermediary(ies)	Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the Bidders, in relation to the Issue
Designated RTA Locations	Such centres of the RTAs where Bidder can submit the Bud cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange (www.nseindia.com) and updated from time to time
Designated Stock Exchange	NSE Emerge Platform of NSE India Limited
Designated CDP Locations	Such centres of the CDPs where Bidders can submit the Bid Cum Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange (www.nseindia.com) and updated from time to time
Draft Red Herring Prospectus or DRHP	This Draft Red Herring Prospectus dated September 14, 2016 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue
First/sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids will be accepted
FII/ Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
General Information Document/GID	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 and included in "Issue Procedure" on page 277 of this Red Herring Prospectus
Listing Agreement`	The Equity Listing Agreement to be signed between our Company and

Term	Description
	the NSE Emerge Platform of NSE India Limited
Market Making Agreement	Market Making Agreement dated September 20, 2016 between our Company, Book Running Lead Manager and Market Maker.
Market Maker	Market Maker appointed by our Company from time to time, in this case being BCB Brokerage Private Limited who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time
Market Maker Reservation Portion	The Reserved Portion of 1,53,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs [●] per Equity Share aggregating Rs. [●] for the Market Maker in this Issue.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
NSE Emerge of NSE/ SME Exchange	The SME platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter XB of the SEBI ICDR Regulations
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 28,08,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs [●] per Equity Share aggregating Rs. [●] by our Company
Net Proceeds	Proceeds of the Fresh Issue less our Company's share of the Issue expenses. For further information about use of the Issue Proceeds and the Issue expenses, see "Objects of the Issue" on page 87
Non Institutional Bidders	All Bidders, including Category III FPIs that are not QIBs or Retail Individual Investors, who have apply for Equity Shares for an amount of more than Rs. 2,00,000 but not including NRIs other than Eligible NRIs
Non-Resident	A person resident outside India, as defined under FEMA and includes FIIs and FPIs
Issue	The Initial Public Offer of 29,61,000 Equity Shares of face value of Rs.10 each for cash at a price of Rs. [●] each, aggregating up to Rs.[●] comprising the Fresh Issue.
Issue Agreement	The agreement dated September 20, 2016 between our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Price	The final price at which Equity Shares will be Allotted in terms of the Red Herring Prospectus The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book-Building Process and the Red Herring Prospectus
Issue Proceeds	The proceeds of the Issue that is available to our Company. For further information about use of Issue Proceeds, see *"*Objects of the Issue*"* on page 87 of this Red Herring Prospectus
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 as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue
Other Investors	Investors other than Retail Individual Investors. These include

Term	Description
	individual bidders/applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, 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
Price Band	Price band of a minimum price of Rs.[●] per Equity Share (Floor Price) and the maximum price of Rs.[●] per Equity Share (Cap Price) including revisions thereof. The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and will be advertised at least five Working Days prior to the Bid/ Issue Opening Date, in [●] edition of the English national newspaper [●], [●] edition of the Hindi national newspaper [●] and [●] edition of the Gujarati newspaper [●], each with wide circulation
Pricing date	The date on which our Company in consultation with the BRLM, will finalise the Issue Price
Prospectus	The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 32 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information
Public Issue Account	Account opened with the Banker to the Issue i.e. ICICI Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the bidders on the Designated Date.
Public Issue Account Agreement/ Banker to the Issue Agreement	Agreement entered on September 20, 2016 amongst our Company, Book Running Lead Manager, the Registrar to the Issue and Public Issue Bank/Banker to the Issue for collection of the Bid Amount on the terms and conditions thereof.
Qualified Institutional Buyers or QIBs	Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of the SEBI (ICDR) Regulations, 2009.
Red Herring Prospectus or RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus will be registered with the RoC at least three days before the Bid/ Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date
Refund Account(s)	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 Bidders) shall be made.
Refund Bank(s) / Refund Banker(s)	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being ICICI Bank Limited.
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid

Term	Description
	membership of NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on http://www.nseindia.com/membership/dynaContent/find_a_broker.htm
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being being Bigshare Services Private Limited having registered office at E/2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri East, Mumbai– 400 072, India
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Resident Indian	A person resident in India, as defined under FEMA
Retail Individual Bidder(s)/Retail Individual Investor(s)/RII(s)/RIB(s)	Individual Bidders, or minors applying through their natural guardians, including HUFs (applying through their *Karta*), who apply for an amount less than or equal to Rs 2,00,000
Revision Form	Form used by the Bidders, to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
Reservation Portion	The portion of the Issue reserved for category of eligible Bidders as provided under the SEBI (ICDR) Regulations, 2009
Reserved Category / Categories	Categories of persons eligible for making Bids under reservation portion.
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which Issue the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised Intermediaries or at such other website as may be prescribed by SEBI from time to time
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes the agreement to be entered into between our Company and the Stock Exchange in relation to listing of Equity Shares on such Stock Exchange.
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Sub-Syndicate members	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect Bid cum Application Forms and Revision Forms Syndicate Agreement entered into amongst the BRLM,
Syndicate Agreement	Syndicate Agreements among our Company, the BRLM and Syndicate Members viz. Choice Equity Broking Private Limited and Indira Securities Private Limited and Nirmal Bang Securities Private Limited dated September 20, 2016, September 21, 2016 and September 21, 2016 respectively
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, Choice Equity Broking Private Limited, Nirmal Bang Securities Private Limited and Indira Securities

Term	Description
	Private Limited
Syndicate or Members of the Syndicate	The BRLM and the Syndicate Members
TRS or Transaction Registration Slip	The slip or document issued by the Syndicate, or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated September 20, 2016 entered into between the Underwriter and our Company
Working Day	"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/ Issue Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/ Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays

TECHNICAL AND INDUSTRY TERMS

Term	Description
AIDS	Acquired Immuno Deficiency Syndrome
AIDS	Acquired Immune Deficiency Syndrome
ANVISA	Agência Nacional de Vigilância Sanitária (Brazil National Health Surveillance Agency)
API	Active Pharmaceutical Ingredients
ARMs	Additional Revenue Measures
ARV	Antiretroviral
ASPIRE	A scheme for Promoting Innovation and Rural Entrepreneurs
BBB	Better Business Bureaus
CAGR	Compound Annual Growth Rate
CAP	Corrective Action Plan
CGTMSE	Credit Guarantee Trust Fund for Micro and Small Enterprises
CIS	Commonwealth of Independent States
CLCSS	Credit Linked Capital Subsidy Scheme
CPI	Consumer Price Index
Credit Suisse	Credit Suisse Business Analytics India
CSO	Central Statistics Office
CY	Current Year
DIPP	Department of Industrial Policy and Promotion
EMDEs	Emerging Market and Developing Economies
EMEs	Emerging Market Economies
FDI	Foreign Direct Investment
FPI	Foreign Portfolio Investment
FRP	Federal Reimbursement Program
FY	Financial Year
GDP	Gross Domestic Product
GST	Goods and Services Tax
GVA	Gross Value Added
IBEF	India Brand Equity Foundation

Term	Description
ICRA	Investment Information and Credit Rating Agency
IFC	International Finance Corporation
IIP	Index of Industrial Production
IMF	International Monetary Fund
IP	Indian Pharmacopoeia
IPA	Indian Pharmaceutical Association
IPC	Indian Pharmacopoeia Commission
JV	Joint Venture
LATAM	Latin America
M&As	Mergers and Acquisitions
MAT	Minimum Alternative Tax
MENA	Middle East and North African
MNC	Multi National Company
M-o-M	Month-On-Month
MoUs	Memorandums Of Understanding
MPP	Medicines Patent Pool
MSECDP	Micro and Small Enterprises- Cluster Development Programme
MSMEs	Micro, Small and Medium Enterprises
MYEA	Mid-Year Economic Analysis
NHI	National Health Insurance
OIL	Oil India Limited
ONGC	Oil and Natural Gas Corporation
OTC	Over the counter
OTC	Over-The-Counter
PC	Pay Commission
PD	Pharma Dynamics
PE	Private Equity
PMEGP	Prime Minister's Employment Generation Programme
PPP	Purchasing Power Parity
R&D	Research and Development
RIRI	Rational Investor Ratings Index
RoW	Rest of the World
SFURTI	Scheme of Fund for Regeneration of Traditional Industries
SMEs	Small And Medium Enterprises
TAF	Tenofovir Alafenamide
UAE	United Arab Emirates
UAM	Udyog Aadhaar Memorandum
UAN	Udyog Aadhaar Number
US Fed	United States Federal Reserve
US$/ US dollar	United States Dollar, the official currency of United States of America
US/ U.S./ USA	United States of America
USFDA	US Food and Drug Administration
WEO	World Economic Outlook
WPI	Wholesale Price Index

CONVENTIONAL AND GENERAL TERMS/ABBREVIATIONS

Term	Description
A/C	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012

Term	Description
AS/Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A.Y./AY	Assessment Year
AIF	Alternative Investments Fund as defined in and registered with SEBI under Securities and Exchange Board of India (Alternative Investments Fund) Regulations, 2012
AoA	Articles of Association
ASBA	Application Supported by Blocked Amount
BIFR	Board for Industrial and Financial Reconstruction
NSE	NSE Limited
CAGR	Compounded Annual Growth Rate
Category I Foreign Portfolio Investors	FPIs who are registered as - Category I foreign portfolio investors under the SEBI FPI Regulations
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
CC	Cash Credit
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CS	Company Secretary
CST	Central Sales Tax
Cm	Centimeter
CMD	Chairman and Managing Director
CENVAT	Central Value Added Tax
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013.
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the notified sections
Depositories	NSDL (National Securities Depository Limited) and CDSL (Central Depository Services Limited); Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number
DIPP	Department of Industrial Policy & Promotion
DP	Depository Participant
DP ID	Depository Participant's Identity
EBIDTA	Earnings before interest, depreciation, tax, amortization and extraordinary items
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPFA	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
EPS	Earnings Per Share

Term	Description
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under
FII(s)	Foreign Institutional Investor, as defined under the FII Regulations and registered with the SEBI under applicable laws in India
FPI(s)	Foreign Portfolio Investor means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board Of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act,1992
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
FIs	Financial Institutions
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
FV	Face Value
F.Y./FY	Financial Year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GIR Number	General Index Registry number
GoI/ Government	Government of India
HNI	High Networth Individual
HUF	Hindu Undivided Family
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations/Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time
Indian GAAP	Generally Accepted Accounting Principles in India
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IPO	Initial Public Offering
IRDA	Insurance Regulatory and Development Authority
I. T. Act	The Income Tax Act, 1961, as amended.
IT Authorities	Income Tax Authorities
IT Rules	The Income Tax Rules, 1962, as amended from time to time
INR	Indian National Rupee
Key Managerial Personnel / KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled "*Our Management*" beginning on page 175 of this Red Herring Prospectus
KVA	Kilovolt-ampere
LM	Lead Manager
Ltd.	Limited
Mn	Million
MoA	Memorandum of Association
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
MD	Managing Director
MICR	Magnetic Ink Character Recognition
N/A or N.A.	Not Applicable

Term	Description
NAV	Net Asset Value
NBFC	Non Banking Finance Company
Net Worth	The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NOC	No Objection Certificate
NR	Non Resident
NRE Account	Non Resident (External) Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non Resident (Ordinary) Account
NSDL	National Securities Depository Limited
NI Act	Negotiable Instruments Act, 1881
OCB	Overseas Corporate Bodies
p.a.	per annum
PAN	Permanent Account Number
PAT	Profit After Tax
Pvt.	Private
PBT	Profit Before Tax
P/E Ratio	Price Earnings Ratio
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
RoC	Registrar of Companies
RoNW	Return on Net Worth
Rs. / INR	Indian Rupees
SCRA	Securities Contracts (Regulation) Act, 1956 as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self Certified Syndicate Bank
SEBI	Securities and Exchange Board of India
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 (Alternative Investments Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI Takeover Regulations /Takeover	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

Term	Description
Regulations / Takeover Code	
Listing Regulations / SEBI Listing Regulations/ SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small Medium Enterprise
Sec	Section
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange (s)	SME Platform of NSE Limited
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
TNW	Total Net Worth
u/s	Under Section
UIN	Unique Identification Number
US/ U.S. / USA/ United States	United States of America
USD / US$ / $	United States Dollar, the official currency of the United States of America
U.S. GAAP	Generally accepted accounting principles in the United States of America
UOI	Union of India
UV	Ultraviolet
VAT	Value Added Tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
WDV	Written Down Value
WTD	Whole-time Director
w.e.f.	With effect from
YoY	Year over year

Notwithstanding the following: -

i. In the section titled "*Main Provisions of the Articles of Association"* beginning on page 325 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;

ii. In the section titled "*Financial Statements*" beginning on page 201 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;

iii. In the section titled "*Risk Factor*" beginning on page 19 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;

iv. In the chapter titled *"Statement of Possible Tax Benefits"* beginning on page 101 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter; and

v. In the chapter titled *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* beginning on page 232 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

All references to "India" are to the Republic of India and all references to the "Government" are to the Government of India.

FINANCIAL DATA

Unless stated otherwise, the financial data included in this Red Herring Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled *"Financial Statements"* beginning on page 201 this Red Herring Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on April 1st of each year and ends on March 31st of the next year. All references to a particular fiscal year are to the 12 month period ended March 31st of that year. In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company's financial data. Accordingly to what extent, the financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

Any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and elsewhere in this Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled *'Financial Statements'* beginning on page 201of this Red Herring Prospectus.

CURRENCY OF PRESENTATION

In this Red Herring Prospectus, references to "Rupees" or "Rs." or "INR" are to Indian Rupees, the official currency of the Republic of India. All references to "$", "US$", "USD", "U.S. $"or "U.S. Dollars" are to United States Dollars, the official currency of the United States of America.

All references to 'million' / 'Million' / 'Mn' refer to one million, which is equivalent to 'ten lacs' or 'ten lakhs', the word 'Lacs / Lakhs / Lac' means 'one hundred thousand' and 'Crore' means 'ten million' and 'billion / bn./ Billions' means 'one hundred crores'.

INDUSTRY & MARKET DATA

Unless stated otherwise, Industry and Market data and various forecasts used throughout this Red Herring Prospectus have been obtained from publically available Information, Industry Sources and Government Publications.

Industry Sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although we believe that industry data used in this Red Herring Prospectus is reliable, it has not been independently verified by the Lead Manager or our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on

various factors, including those discussed in the section – *"Risk Factors"* on page 19 of this Red Herring Prospectus. Accordingly, investment decisions should not be based solely on such information.

Further, the extent to which the industry and market data presented in this Red Herring Prospectus 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.

FORWARD LOOKING STATEMENT

This Red Herring Prospectus contains certain "forward-looking statements". These forward looking statements can generally be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "shall", "will", "will continue", "will pursue" or other words or phrases of similar meaning. Similarly, statements that describe our strategies, objectives, plans 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 and property valuations to differ materially from those contemplated by the relevant forward looking statement.

Important factors that could cause actual results to differ materially from our expectations include, but are not limited to the following:-

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in the sectors/areas in which we operate;
- Factors affecting Industry in which we operate;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our failure to keep pace with rapid changes in technology;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Conflict of Interest with affiliated companies, the promoter group and other related parties; and
- Changes in government policies and regulatory actions that apply to or affect our business.

For a further discussion of factors that could cause our actual results to differ, refer to section titled *"Risk Factors"* and chapter titled *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* beginning on pages 19 and 232 respectively of this Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Future looking statements speak only as of the date of this Red Herring Prospectus. Neither we, our Directors, Lead Manager, Underwriter nor any of their respective affiliates 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 requirements, the LM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.

SECTION II: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this offer including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.

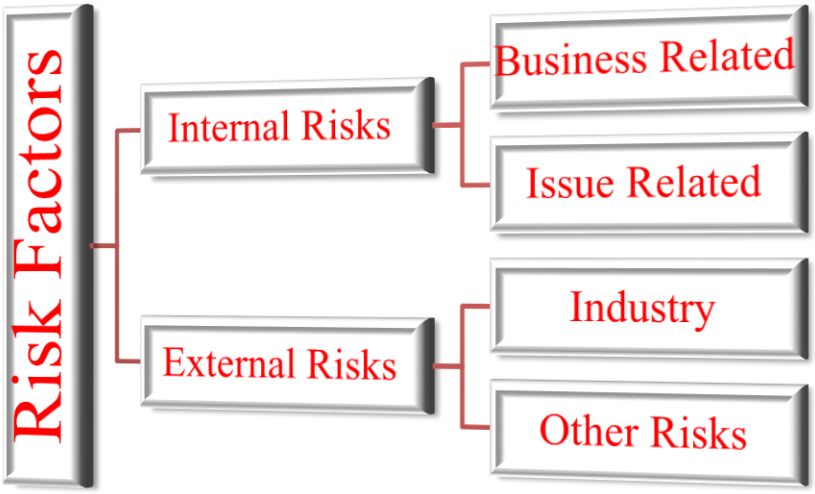
Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled "Our Business" beginning on page 140, "Our Industry" beginning on page 115 and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 232 of this Red Herring Prospectus as well as other financial information contained herein.

The following factors have been considered for determining the materiality of Risk Factors:

- *Some events may not be material individually but may be found material collectively;*
- *Some events may have material impact qualitatively instead of quantitatively;*
- *Some events may not be material at present but may have material impact in future.*

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled "Definitions and Abbreviation" beginning on page 3 of this Red Herring Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

The risk factors are classified as under for the sake of better clarity and increased understanding:



INTERNAL RISKS

Business Related Risks

1. **Our Company and Group Company are currently involved in certain tax litigation which is pending at various stages; any adverse decision in such proceedings may render us liable to liabilities and penalties and may adversely affect our business and results of operations.**

There are no legal proceedings by or against our Directors, Promoters or Subsidiaries. A classification of legal proceedings is mentioned below:

Also, there is no assurance that in future, we, our promoters, our directors or group companies may not face legal proceedings; any adverse decision in such legal proceedings may impact our business. For further details in relation to legal proceedings involving our Company, Promoters, Directors, Group Company and Subsidiaries see the chapter titled "Outstanding Litigation and Material Developments" on page 244 of this Red Herring Prospectus.

Name of Entity	Criminal Proceedings	Civil/ Arbitration Proceedings	Tax Proceedings	Labour Disputes	Consumer Complaints	Complaints under Section 138 of NI Act, 1881	Aggregate amount involved (Rs. In lakhs)
Company							
By the Company	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	Nil	4	Nil	Nil	Nil	63.85
Promoters							
By the Promoter	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoter	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Group Companies							
By Group Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against Group Companies	Nil	Nil	1	Nil	Nil	Nil	0.32

Directors other than promoters							
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Subsidiaries							
By the Subsidiaries	N.A.*	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Against the Subsidiaries	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

*N.A. = Not Applicable

2. ***Our business is subject to extensive regulation. If we fail to comply with the applicable regulations prescribed by governments and regulatory agencies, our business, results of operations and financial condition could be adversely affected.***

   We operate in a highly regulated industry and our operations are subject to extensive regulation in each market in which we do business. Regulatory authorities in each of these markets must approve our products before we or our distribution agents can market them. Applicable regulations have become increasingly stringent, a trend which may continue in the future. The penalties for non-compliance with these regulations can be severe, including the revocation or suspension of our business licence, imposition of fines and criminal sanctions in those jurisdictions.

   If we fail to comply with applicable statutory or regulatory requirements, there could be a delay in the submission or grant of approval for the manufacturing and marketing new products. Moreover, if we fail to comply with the various conditions attached to such approvals, licenses, registrations and permissions once received, the relevant regulatory body may suspend, curtail or revoke our ability to market such products or impose fines upon us. In the South America, Africa and many of the international markets in which we sell our products, the approval process for a new product is complex, lengthy and expensive. The time taken to obtain approvals varies by country, but generally takes between six months and several years from the date of application. If we fail to obtain such approvals, licenses, registrations and permissions, in a timely manner or at all, our business, results of operations and financial condition could be adversely affected.

3. ***Our success depends on our ability to commercialize new products in a timely manner.***

   Our success largely depends upon our ability to commercialize new pharmaceutical products across various markets around the world. We must successfully develop, test and manufacture generic products and all of our products must meet and continue to comply with regulatory and safety standards and receive regulatory approvals from appropriate authorities. The process of commercialization of pharmaceutical formulations is time-consuming, involves significant investments and entails a high degree of business risk. Our overall profitability depends on, among other things, our ability to introduce new generic products in a timely manner, to continue to manufacture products cost-efficiently and to manage the life cycle of our global generic portfolio.

   The time for commercial launch of a product varies between six months to three years and involves multiple stages during which the product may be abandoned as a result of factors such as, the inability to obtain necessary regulatory approvals in a timely manner or at all, and the inability to produce and market such new products successfully and profitably delays in any part of the process or our inability to obtain regulatory approvals for our products could have a material adverse effect on our business, prospects, results of operations and financial condition by restricting or delaying the introduction of new products.

4. ***Any manufacturing or quality control problems may damage our reputation for high quality products and expose us to litigation or other liabilities, which could adversely affect our financial results.***

   Pharmaceutical manufacturers are subject to significant regulatory scrutiny. We own and operate manufacturing plant in India which has 4 manufacturing facilities , thus, we are subject to

registrations, and manufacturing products in these facilities in accordance with current good manufacturing practices ("GMP") stipulated by the BVQI,GMP,FDA, WHO, state level food and drug administrations and other regulatory agencies. Furthermore, we are liable for the quality of our products for the entire duration of the shelf life of the product. After our products reach the market, certain developments could adversely affect demand for our products, including any contamination of our products by intermediaries, re-review of products that are already marketed, new scientific information, greater scrutiny in advertising and promotion, the discovery of previously unknown side effects or the recall or loss of approval of products that we manufacture, market or sell. There can be no assurance that there will not be any regulatory actions, recalls of any of our products or investigations of our manufacturing facilities or our processes in the future by the regulatory agencies. Disputes over non-conformity of our products with such quality standards or specifications are generally referred to independent government approved testing laboratories. If any such independent laboratory confirms that our products do not conform to the prescribed or agreed standards and specifications, we would bear the expenses of replacing and testing such products, which could adversely affect our business, results of operations and financial condition.

We also face the risk of loss resulting from, and the adverse publicity associated with, manufacturing or quality problems. Such adverse publicity harms the brand image of our Company and products. We may be subject to claims resulting from manufacturing defects or negligence in storage and handling of our products. In certain jurisdictions in which we operate (such as the South America, Africa etc), the quantum of damages, especially punitive, awarded in cases of product liability can be extremely high. The existence, or even threat, of a major product liability claim could also damage our reputation and affect consumers' views of our other products, thereby adversely affecting our business, results of operations and financial condition. Any loss of our reputation or brand image, for whatsoever reason may lead to a loss of existing business contracts and adversely affect our ability to enter into additional business contracts in the future.

5. ***We have applied for procuring the certificate/order approving the bonafide industrial use and conversion of agricultural land into non-agricultural land with respect to the land situated at Changodar, Sanand, however, the certificate/order for usage and conversion of the same is awaited.***

   Our Company has purchased an agricultural land situated at Village: Changodar, Taluka: Sanand, Registration District and Sub-District: Ahmedabad under the provisions of Tenancy Act. Our Company has duly made an application before the Collector under section 63AA of the Gujarat Tenancy and Agricultural Lands Act, 1948 for certifying the usage of the said agricultural land for bona fide industrial purpose. However, the certificate confirming such usage is awaited. Further, our Company has also notified the Collector under section 65B of the Gujarat Land Revenue Code, 1879 notifying the usage of agricultural land for pharmaceutical purposes. However, the final order for usage and conversion 17 of the said agricultural land is awaited. As on date, the said land is vacant and our Company has no intention to make any construction or use it for industrial purpose. Failure to obtain the approval in relation to usage and conversion of the said land may lead to our inability to use the said land for the purpose intended.

6. ***Certain commercial agreements entered into by us impose several contractual obligations upon us. If we are unable to meet these contractual obligations and / or our customers perceive any deficiency in our service we may face legal liabilities and consequent damage to our reputation which may in-turn adversely impact our business, financial condition and results of operations.***

   The commercial agreements entered into by us impose several contractual obligations upon us including compliance with certain quality norms, non-infringement, confidentiality, non-compete clauses and completion schedules as is typical of agreements entered into by companies in pharmaceutical sector. If we cannot perform the services undertaken by us in accordance with the requisite quality norms or if our client's proprietary rights are infringed by our employees in violation of any applicable confidentiality agreements and / or our customers perceive any

deficiency or delay in service or breach of stipulated terms of these agreements, our customers may consider us liable for that act and seek damages from us.

In the ordinary course of our business we enter into contractual agreements with large domestic or global companies for technology transfer and for supply of products used for formulations. These companies could be in a better position to negotiate terms which may not be entirely favourable to us. There are also some contracts which may be terminable by our clients without cause on a short notice period affecting our business and creating uncertainty about our revenue flow at a particular point of time. Further, certain of the commercial agreements that we have entered into restrict us from providing services to competitors of our existing customers or restrict our ability to approach customers in certain jurisdictions.

Such clauses may restrict our ability to offer services to customers on terms preferred by our customers/ more favourable than those offered by our competitors. Further, given the stringent nature of obligations imposed by our commercial contracts, we face the risk of potential liabilities from lawsuits or claims by our customers for the breach of the terms of our contractual obligations and cannot assure you that such restrictions will not have an adverse effect on our business, financial condition and results of operations in the future.

7. ***Strong competition in the Ayurvedic & Herbal Medicine sector could decrease the market share and compel the company to either reduce the cost charged or increase the sales prices being charged to the end consumer. In either of the cases, we may have an adverse impact on the revenues and profitability.***

   The industry in which we are operating is highly and increasingly competitive and unorganized. The competitive pricing and other factors may adversely affect our results of operations and financial condition. Competition may result in pricing pressures, reduced profit margins or loss market share or a failure to grow our market share, any of which could substantially harm our business and results of operations. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

8. ***We could become liable to our customers, suffer adverse publicity and incur substantial costs as a result of defects in our products, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity.***

   Any failure or defect in our products could result in a claim against us for damages, regardless of our responsibility for such a failure or defect. We currently carry no products liability insurance with respect to our products. Although we attempt to maintain quality standards, we cannot assure that all our products would be of uniform quality, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity

   Also, our business is dependent on the trust our customers have in the quality of our products. Any negative publicity regarding our company, brand, or products, including those arising from a drop in quality of merchandise from our vendors, mishaps resulting from the use of our products, or any other unforeseen events could affect our reputation and our results from operations.

9. ***We are susceptible to volatility of prices of products marketed by us, including due to competitive products.***

   Prices of the products marketed by us are subject to fluctuation, depending on, among other factors, the number of producers and their production volumes and changes in demand in the markets we serve. Volatility in price realization and loss of customers may adversely affect our profitability. Further, there is no assurance that we will be able to maintain our low cost of operations or to further reduce costs or develop new cost effective processes in the future, owing to factors beyond our control.

10. ***The success of our strategy of expanding presence in semi-regulated markets is dependent on a number of factors, some of which are beyond our control.***

One of our business strategies is to expand our sales and distribution activities in semi-regulated markets. The success of such expansion is dependent upon our obtaining requisite approval of the regulatory authorities for the products which we intend to sell, as well as timely renewal of existing accreditations. Any change in foreign governments or in foreign governmental policies, regulations, practices or focus that results in a slowdown or inability to obtain government approvals or product registrations could adversely affect this strategy, which in turn could adversely affect our business, financial condition and results of operations.

11. ***Non-compliance with the bar coding requirements stipulated by the Director General of Foreign Trade, ("DGFT"), from time to time, for primary, secondary and tertiary level packaging of finished pharmaceutical products for export, could adversely affect our goodwill, business, financial condition and results of operations.***

    Pursuant to applicable notices, notifications and circulars issued by the DGFT, from time to time, we are required to comply with bar coding requirements for primary, secondary and tertiary level packaging of finished pharmaceutical products for export, provided, the importing country has not mandated a specific bar coding requirement. As the bar coding requirements mandated by the DGFT, are applicable in addition to the standard labelling requirements under the DCA and the Drug Rules, it may lead to an increase in packaging and other costs, thereby requiring us to allocate more resources and impeding our ability to operate and grow our business. Any non-compliance with the bar coding requirements as stipulated by the DGFT, could result in counterfeiting or piracy of our pharmaceutical products, thereby affecting our goodwill. We cannot assure you that we will be able to comply with all the bar coding requirements as stipulated by the DGFT, from time to time, within the prescribed time, or at all, failing which our goodwill, business, financial condition and results of operations could be adversely affected.

12. ***We rely extensively on our systems, including quality assurance systems, products processing systems and information technology systems, the failure of which could adversely affect our business, financial condition and results of operations.***

    We depend extensively on the capacity and reliability of the quality assurance systems, product processing systems and information technology systems, supporting our operations. Considering the nature of our business and the industry in which we operate, it is imperative for us to have a robust information technology platform. If our data capturing, processing and sharing cannot be integrated and/ or we experience any defect or disruption in the use of, or damage to, our information technology systems, it may adversely affect our operations and thereby our business and financial condition. Our systems are also subject to damage or incapacitation by natural disasters, human error, power loss, sabotage, computer viruses, hacking, acts of terrorism and similar events or the loss of support services from third parties. Any disruption in the use of, or damage to, our systems may adversely affect our business, financial condition and results of operations.

13. ***If we do not maintain and increase the number of our arrangements for the distribution where we are not present or less present for our products, our business, results of operations and financial condition could be adversely affected.***

    In most of the markets abroad in which we have a presence, we generally appoint a local third party entity who imports, registers and distributes our products. We have limited control over the operations and businesses of such local third party entities abroad. Our reliance on, and inability to control, our local marketing and distribution agents abroad could adversely affect our business, financial condition and results of operations. We may not be able to find suitable partners or successfully enter into arrangements on commercially viable terms or at all. Additionally, our distribution partners may make important marketing and other commercial decisions concerning our products without our input.

14. ***Our top 10 customers contribute around 49.39 % of our revenues from operations. Any loss of business from one or more of them may adversely affect our revenues and profitability.***

Our top 10 customers contribute around 49.39 % of our total sales for the year ending March 31, 2016. Any decline in our quality standards, growing competition and any change in the demand, may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, and the loss of business from one or more of them may adversely affect our revenues and results of operations. However, the composition and revenue generated from these customers might change as we continue to add new customers in the normal course of business. We believe that we will not face substantial challenges in maintaining our business relationship with them or finding new customers.

15. ***Our Company's entire manufacturing facility is located at a single geographical location, and all of our Company's manufactured products are produced from such facility. Any delay in production at, or shutdown of, these facilities may in turn adversely affect our business, financial conditions and results of operations***

Our Company's manufacturing facility is at single location and all of our Company's products are manufactured from such facility at Changodar, Gujarat. Further, our business operations would be vulnerable to damage or interruptions in operations due to adverse weather conditions, earthquakes, fires, explosions, power loss, civil disturbances or other similar events which may affect this area. If our Company experiences delays in production or shutdown at such facilities due to any reason, including disruptions caused by disputes with its workforce or due to its employees forming a trade union or any natural disaster, our Company's ability to execute orders in a timely manner and its operations will be significantly affected, which in turn would have a material effect on its business, financial conditions and results of operations.

16. ***Our Company requires significant amount of working capital for a continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations.***

Our business is working capital intensive primarily on account of inventory levels. A significant portion of our working capital is utilized towards trade receivables and inventories. Summary of our working capital position is given below:-

Particulars	For the year ended				
	2016	2015	2014	2013	2012
A. Current Assets					
A. Inventories	644.71	673.81	687.42	650.73	483.34
B. Trade Receivables	297.66	200.53	224.99	134.45	110.76
C. Cash and Bank Balances	22.93	93.32	8.99	16.60	370.65
D. Short Term Loans & Advances	392.44	403.26	482.87	438.38	437.38
E. Other Current Assets	-	-	-	-	-
B. Current Liabilities					
A. Short Term Borrowings	391.12	596.83	671.99	719.83	900.28
B. Trade Payables	397.56	96.09	352.21	252.40	142.91
C. Other Current Liabilities	399.47	292.22	413.66	228.69	50.46
D. Short Term provision	31.77	38.09	21.69	13.21	17.85
Working Capital (A-B)	137.82	347.69	-55.28	26.03	290.63
Inventories as % of total current assets	47.48%	49.15%	48.95%	52.47%	34.47%
Trade receivables as % of total current assets	21.92%	14.63%	16.02%	10.84%	7.90%

Our Company intend to continue growing by reaching out to newer customers and also increasing the sales in the existing customers. All these factors may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of

fund, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled "Objects of the Issue" beginning on page 87 of this Red Herring Prospectus.

17. ***We have applied for registration of trademark "Sakar Healthcare Private Limited", however the same is currently pending registration and has been opposed.***

We reapplied for the registration of trademarks bearing registration number 2069102 result of which are still pending and awaited. We have applied for registration of the mark reflected herein in the name of our Company However, the same has been opposed by the Swiss Federal Institute of Intellectual Property, Stauffa Cherstrasse, Bern, Switzerland with regard to the design of a "cross" used in the same. In response thereto, our Company has filed Form TM-6, being the form of counter statement, stating that it is ready to remove the objectionable design used in the mark and is in process of amending it before the trademark registry, Ahmedabad. In support whereof, our Company has also filed Form TM 16, being the form for correction of clerical error, or for amendment which has been filed with the trademark registry on December 23, 2015. The status of the mark at the website of the trademark registry is currently reflected as 'opposed' and further procedure is awaited. We cannot assure you that the amendment would be accepted by the Registrar of Trademarks and Patents or that there would be no further opposition with regard to the amended mark proposed. Failure of registration of the same may impede our ability to claim ownership over it which in turn may adversely affect our business, financial condition and result of operation.

18. ***Our operations are subject to various employees, health and safety laws and regulations. Our failure to comply with environmental laws and similar regulations in India, including improper handling of raw materials, may result in significant damages and may have an adverse effect our business, financial condition and results of operations.***

Due to the nature of our business, we expect to be or continue to be subject to extensive and increasingly stringent environmental, health and safety laws and regulations and various labour, workplace and related laws and regulations. Our operations are subject to laws and regulations governing relationships with employees in such areas a minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees, contract labour and work permits. Further, our business and prospects are contingent upon, among other things, receipt of all required health and safety permits, and our ability to comply with any conditions specified in such permits and registrations, on a continuous basis. Changes or concessions required by regulatory authorities may involve significant compliance costs and also result in delays, prevent completion of construction or opening of a plant or result in the loss of an existing license, which may adversely affect our business and results of operations.

Further, we are subject to various environmental laws and regulations relating to environmental protection in India. For example, the discharge or emission of chemicals, dust or other pollutants into soil or water that exceed permitted levels and cause damage may give rise to liabilities towards the government, especially the state pollution control boards and third parties, and may result in expenses to remedy any such discharge or emissions.

We are subject to environmental laws and regulations, including but not limited to:

a. Environment (Protection) Act, 1986
b. Air (Prevention and Control of Pollution) Act, 1981
c. Water (Prevention and Control of Pollution) Act, 1974
d. Hazardous Waste Management & Handling Rules, 2008
e. Other regulations promulgated by the Ministry of Environment and Forests and the Pollution Control Boards of the state of Gujarat

which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from the operations of our business the scope and extent of new

environmental regulations, including their effect on our operations, cannot be predicted and hence the costs and management time required to comply with these requirements could be significant. Amendments to such statutes may impose additional provisions to be followed by our Company and accordingly our Company needs to incur clean-up and remediation costs, as well as damages, payment of fines or other penalties, closure of production facilities for non-compliance, other liabilities and related litigation, could adversely affect our business, prospects, financial condition and results of operations.

Stricter laws and regulations, or stricter interpretation of existing laws and regulations may impose new liabilities or require additional investment in environmental protection equipment, either of which could adversely affect our business, financial condition or results of operation. Our failure to obtain required licenses or renew expired licenses or to otherwise comply with various regulatory requirements may have a material adverse effect on our financial conditions and results of operations.

19. ***Our business operations involve handling and storage of hazardous materials. Risks arising from the same may result in damages to life and property, as also exposure to litigations.***

Pharmaceutical companies handle hazardous materials including explosive, toxic and combustible materials. We are also required to obtain several licenses and approvals for the storage and handling of such materials, which in turn impose several obligations and restrictions on our Company. If improperly handled or subjected to less than optimal conditions, these materials could harm employees and other persons, cause damage to life and to property and harm the environment. This in turn could subject our Company to significant penalties including closure of our manufacturing units and / or litigation which may have an adverse effect on our business and financial operations.

For a description of the regulations and laws applicable to our Company in this regard, please refer to the chapter titled "Key Industry Regulations and Policies" beginning on page 154 of this Red Herring Prospectus. For details of licenses and approvals obtained by our Company for the storage and handling of certain materials, please refer to the chapter titled "Government and Other Statutory Approvals" beginning on page 250 of this Red Herring Prospectus.

20. ***Our Company's expected production levels could be adversely affected by various factors***.

Manufacturers of products often encounter difficulties in production. These problems include difficulties with production costs and yields, product quality (caused by, among other things, process failure, equipment failure, human errors or other unforeseen events during the production cycle) and shortages of qualified personnel, as well as compliance with regulatory requirements. In addition, any material labour problems, such as a work stoppage or mechanical failure or malfunction could likewise lead to delays in production. Any of these problems could result in delay or suspension of production and may entail higher costs or other instalment expenses. Furthermore, if our Company's suppliers fail to deliver necessary manufacturing equipment, raw materials or adequately perform the services outsourced by our Company to them, production deadlines may not be met. Any such developments could have a material adverse effect on our Company's business and financial operations.

21. ***Increasing employee compensation in India may erode some of our Company's competitive advantages and may reduce profit margins.***

Employee compensation in India has historically been significantly lower than employee compensation in the US and Europe for comparable skilled professionals, which is one of our Company's competitive strengths. However, increase in compensation levels in India may erode some of this competitive advantage and may negatively affect our profit margins. Employee compensation in India is currently increasing which could result in increased costs relating to scientists and engineers, managers and other professionals. Our Company may need to continue to increase levels of employee compensation to remain competitive and manage attrition. Any increases in the amount of compensation paid to our Company's employees could have a

significant effect on production costs, which may affect our position as a low-cost producer of Bulk drugs and have a material adverse effect on our business and financial operations.

22. ***The average cost of acquisition of Equity Shares by our Promoters could be lower than the floor price.***

Our Promoters average cost of acquisition of Equity Shares in our Company may be lower than the Floor Price of the Price Band as may be decided by the Company in consultation with the BRLM. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapters "Capital Structure" beginning on page 67 of this Red Herring Prospectus, respectively.

23. ***We employ contract labourers for carrying out our manufacturing process by way of entering into contracts for a fixed period, subject to renewal options. Any delay in renewals or non-renewal of contracts on time shall affect the manufacturing timeline and thereby affecting our revenue from operations..***

Our industry being labour intensive, demands several labourers to maintain a smooth and stable production timeline. We employ contract labourers for carrying out our manufacturing process by way of entering into contracts for a fixed period, subject to renewal options. There can be no assurance that the relevant contractors will renew any of such contracts in time or at all. Any delay in renewals or non-renewal of contracts on time shall affect the manufacturing timeline and thereby affecting our revenue from operations. Further, these contracts are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions, which may lead to cancellation, revocation or termination of relevant contracts.

24. ***Our industry is labour intensive and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.***

Our industry being labour intensive is highly dependent on labour force for carrying out its manufacturing operations. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. We have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past; however there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

25. ***We have historically derived a substantial portion of our revenue from the Domestic Market and the unregulated Markets.***

We derived a significant percentage of our revenue from the Domestic Market and the unregulated Markets. We are well positioned in the Domestic Market and we intend to increase our presence in

the Regulated Market, especially Europe. We will continue to evaluate initiatives and strategies to increase our presence in the Domestic Market and the Regulated Markets. We cannot assure you that we will be able to continue to generate a significant portion of our revenue from these markets. Any failure to do so may adversely affect our business, financial condition and results of operations.

26. ***We are subject to foreign currency exchange rate fluctuations which could have a material and adverse effect on our results of operations and financial conditions.***

We export our products and receive sale proceeds in foreign currency. Changes in value of currencies with respect to the Rupee may cause fluctuations in our operating results expressed in Rupees. The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. Fluctuations in the exchange rates may affect our Company to the extent of cost of goods and sales in foreign currency terms. Although we generally hedge our foreign exposure, any adverse or unforeseen fluctuations with respect to the unhedged exchange rate of any foreign currency for Indian Rupees may affect our Company's results of operations.

27. ***We require a number of approvals, NOCs, licences, registrations and permits in the ordinary course of our business. Some of the approvals are required to be transferred in the name of Sakar Healthcare Limited from Sakar Healthcare Private Limited pursuant to name change of our company and any failure or delay in obtaining the same in a timely manner may adversely affect our operations. Letter of issuance of TAN to the Company is currently not traceable.***

We require a number of approvals, licenses, registrations and permits in ordinary course of our business. Additionally, we need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course. Also, we were a private limited company in the name of "Sakar Healthcare Private Limited" which was carrying business of manufacturing and marketing of their own pharmaceutical formulations for domestic and international markets. After complying with the relevant procedure of Companies Act, 2013, the said private limited company was converted into a public limited company in the 2013. After conversion there was change of name of the company from "Sakar Healthcare Private Limited" to "Sakar Healthcare Limited" pursuant to Rule 29 of the Companies (Incorporation) Rules, 2014. We shall be taking necessary steps for transferring the approvals in new name of our company. In case we fail to transfer/obtain the same in name of the company same may adversely affect our business or we may not be able to carry our business

The company has not applied for change of name of approvals. In case of delay or failure to obtain the same, it could affect our business operations. Any failure to renew the approvals that have expired, or to apply for and obtain the required approvals, licences, registrations or permits, or any suspension or revocation of any of the approvals, licences, registrations and permits that have been or may be issued to us, could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects. Additionally, our company has not applied for change of name of the approval/s mentioned in pending approvals section of Government and Other Statutory Approvals Chapter. For more information, see chapter "Government and Other Statutory Approvals" on page 250 of this Red Herring Prospectus.

28. ***If we are unable to source business opportunities effectively, we may not achieve our financial objectives.***

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees and to implement systems capable of effectively accommodating our growth. However, we cannot assure that any such employees will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It also is possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analyses of market and

other data or the strategies we use or plans in future to use will be successful under various market conditions.

29. ***Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.***

Modernization and technology upgradation is essential to reduce costs and increase the output. Our technology and machineries may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. Although we believe that we have installed latest technology and that the chances of a technological innovation are not very high in our sector we shall continue to strive to keep our technology, plant and machinery in line with the latest technological standards. In case of a new found technology in the manufacturing facilities, we may be required to implement new technology or upgrade the machineries and other equipment's employed by us. Further, the costs in upgrading our technology and modernizing the plant and machineries are significant which could substantially affect our finances and operations.

30. ***Our Company has unsecured loans which are repayable on demand. Any demand loan from lenders for repayment of such unsecured loans, may adversely affect our cash flows.***

As on March 2016, our Company has unsecured loans amounting to Rs. 735.70 lakhs from related parties that are repayable on demand to the relevant lender. Such loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows. For further details of unsecured loans of our Company, please refer Annexure B-Details of Long Term Borrowings as Restated of chapter titled ―Financial Statements beginning on page 201 of the Red Herring Prospectus.

31. ***Introduction of alternative pharmaceutical products caused by changes in technology or consumer preferences may affect demand for our existing products which may adversely affect our financial results and business prospects.***

Our products are mainly used in the healthcare sector to cater to masses. Our business is affected by change in technology, consumer preferences, market perception of brand, attractiveness, convenience, safety and environmental norms. Our ability to anticipate such changes and to continuously develop and introduce new and enhanced products successfully on a timely basis will be a key factor in our growth and business prospects. There can be no assurance that we will be able to keep pace with the technological advances that may be necessary for us to remain competitive. Further, any substantial change in preference of consumers who are end users of our products will affect our customers' businesses and, in turn, will affect the demand for our products. Any failure to forecast and/or meet the changing demands of pharmaceutical businesses and consumer preferences may have an adverse effect on our business, profitability and growth prospects.

32. ***We have not made any alternate arrangements for meeting our capital requirements for the Objects of the issue. Further we have not identified any alternate source of financing the 'Objects of the Issue'. Any shortfall in raising / meeting the same could adversely affect our growth plans, business operations and financial condition.***

As on date of this Red Herring Prospectus, we have not made any alternate arrangements for meeting our capital requirements for the objects of the issue i.e. to set up a new Lyophilization facility, to obtain new registrations, to register new products and working capital. We meet our capital requirements through our bank finance, debts, owned funds and internal accruals. Any

shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled "Objects of the Issue" beginning on page 87 of this Red Herring Prospectus.

33. ***The Objects of this Issue are based on the internal estimates of our management, and have not been appraised by any bank or financial institution. The deployment of funds in the project is entirely at our discretion and as per the details mentioned in chapter titled "Objects of the Issue".***

Our funding requirements, the funding plans and the deployment of the proceeds of the Issue are based on our management estimates and have not been appraised by any bank or financial institution. The deployment of funds in the expansion project is entirely at our own discretion and the same will not be monitored by any external agency. We may have to revise our management estimates from time to time and consequently our funding requirements may also change. The estimates contained in the Red Herring Prospectus may exceed the value that would have been determined by third party appraisals, which may require us to reschedule the deployment of funds proposed by us and may have a bearing on our expected revenues and earnings.

34. ***We have not entered into any technical support service agreements for the maintenance and smooth functioning of our equipment's and machineries, which may affect our performance.***

Our manufacturing processes involve daily use of technical equipment and machineries. They require periodic maintenance checks and technical support in an event of technical breakdown or malfunctioning. Our Company has entered into few technical support service agreements with competent third party. Although the Company has easy and quick accessibility to avail the technical support from the external experts and the machinery suppliers locally, any failure to quickly redress any technical issue, may increase our downtime which may affect our productivity, business and results of operations.

35. ***Under-utilisation of our proposed expansion or failure to obtain EU certifications or product registration may adversely impact our financial performance.***

The proposal to undertake the expansion of our existing facility is based on our estimates of market demand and profitability. One of the object for Issue is to apply for EU certifications and product registrations. We may in future encounter cost overruns or delays, for various reasons including non-receipt of approvals. Incase the certifications and registrations are not obtained or approved due to unforeseen events we cannot assure you that we will be able to identify another object within the anticipated time and costs. Till the time we don't identify another object the issue proceeds will be unutilized and will be later used at managements discretion. Also in the event of non-materialisation, of our estimates and expected order flow for our products, our capacities may not be fully utilised thereby adversely impacting our financial performance. Any one or combination of these factors could undermine the objects of the Issue and restrict our growth.

36. ***Our lenders have charge over our movable and immovable properties in respect of finance availed by us.***

Our Company have taken secured loan from banks by creating a charge over our movable and immovable properties in respect of loans/facilities availed by us. The total amounts outstanding and payable by us for secured loans were Rs. 1084.86 lakhs as on March 31, 2016. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on our business, financial condition and results of operations. For further details please refer to "Annexure B- Details of Long Term Borrowings as Restated" and "Annexure K- Details of Short Term Borrowings as Restated" of chapter titled "Financial Statements as Restated" beginning on page

201 and Financial Indebtedness in chapter titled "Financial Indebtedness" on page 240 of this Red Herring Prospectus.

37. ***Our insurance policies do not cover all risks, specifically risks like product defect/liability risk, loss of profits and terrorism. In the event of the occurrence of such events, our insurance coverage may not adequately protect us against possible risk of loss.***

Our insurance policies consist of, among others, standard fire and special perils, earthquake, etc. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like product defect/liability risk, loss of profits, losses due to terrorism, etc. Further there can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if 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.

38. ***Within the parameters as mentioned in the chapter titled "Objects of the Issue" beginning on page 87 of this Red Herring Prospectus, our Company's management will have flexibility in applying proceeds of the Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.***

We intend to use fresh Issue Proceeds towards working capital requirements and to meet the issue expenses. We intend to deploy the Net Issue Proceeds in Financial Year 2016-2017 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the fresh Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled "Objects of the Issue" beginning on page 87 of this Red Herring Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company's Board of Directors. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled "Objects of the Issue" beginning on page 87 of this Red Herring Prospectus, the management will have flexibility in applying the proceeds received by our Company from the Issue. However, the company shall comply with Section 27 of the Companies Act, 2013 before varying the Objects of the Issue. The Audit Committee will monitor the utilisation of the proceeds of this Issue.

39. ***We are dependent upon the growth prospects of the Healthcare Sector, where our products are largely used to cater masses.***

Our Company broadly falls under the pharmaceutical industry of which we undertake manufacturing and marketing of pharmaceutical products. Our products are used generally in the healthcare sector and thus cater to the requirements of the healthcare sector at large, thus any slowdown in the growth rate or downward trend in any healthcare facilities in the country directly or indirectly impact our own growth prospects and may result in decline in profits and turnover of sales.

40. ***Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.***

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects

and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "Dividend Policy" on page 200 of this Red Herring Prospectus.

41. ***Our future funds requirements, in the form of fresh 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 fresh issue of 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, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

42. ***Our success depends largely upon the services of our Directors, Promoters and other Key Managerial Personnel and our ability to attract and retain them. Demand for Key Managerial Personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.***

Our success is substantially dependent on the expertise and services of our Directors, Promoters and our Key Managerial Personnel. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for Key Managerial Personnel in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

43. ***Our Company is dependent on third party transportation for the delivery of raw materials/ finished product and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations.***

Our Company uses third party transportation for delivery of our raw materials and finished products. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. These transportation facilities may not be adequate to support our existing and future operations. In addition raw materials/ finished products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of products which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our raw materials may have an adverse effect on our business and results of operations.

Further, disruptions of transportation services due to weather-related problems, strikes, lockouts, inadequacies in the road infrastructure and port facilities, or other events could impair ability to procure raw materials on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

44. ***Our Promoters / Directors/ Members have given personal guarantees in relation to certain debt facilities provided to our Company by our lender. In event of default on the debt obligations, the personal guarantees may be invoked thereby adversely affecting our Promoters/ Directors ability to manage the affairs of our Company and consequently this may impact our business, prospects, financial condition and results of operations.***

Some of the debt facilities provided to our Company by our lenders stipulate that the facility shall be secured by a personal guarantee of our Promoters/ Directors/ Members. In event of default on the debt obligations, the personal guarantees may be invoked thereby adversely affecting our Promoters/ Directors / Key Managerial Personnel(s) ability to manage the affairs of our Company

and consequently this may impact our business, prospects, financial condition and results of operations. Further, in an event our Promoters/ Directors/ Members withdraws or terminates his/their guarantee/s or security, the lenders for such facilities may ask for alternate guarantee/s or securities or for repayment of amounts outstanding under such facilities or even terminate such facilities. We may not be successful in procuring guarantee/s or collateral securities satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information, please see the chapter titled "Financial Indebtedness" beginning on page 240 of this Red Herring Prospectus.

45. ***Our Company exports our products to countries including South America and African, countries etc. Any adverse events affecting these countries could have a significant adverse impact on our results from operations.***

We derive our major revenue from operations from export sales. Our Company exports its products to many countries namely South America and African countries etc. Consequently, any adverse changes in these economies such as slowdown in the economy, appreciation of the Indian Rupee vis-à-vis the currencies of these economies, acts of terrorism or hostility targeting these countries, etc. would directly impact our revenues and results from operations. In the event of change in policies or laws in these regions with respect to Environment, Health and Safety (EHS) norms, quality standards, branding or restrictions on usage of certain products/raw materials, our financial condition and business operations may be adversely affected. In case of any contingencies in future due to which we are unable to operate effectively in these markets, our results from operations, revenues and profitability may be adversely affected.

46. ***In addition to normal remuneration or benefits and reimbursement of expenses, some of our Directors and key managerial personnel are interested in our Company to the extent of their shareholding, dividend entitlement, if any, loan availed by our Company, as creditors of the Company etc.***

Our Directors and Key Managerial Personnel are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and Key Managerial Personnel may also be interested to the extent of their shareholding, dividend entitlement, if any; loan availed from them by our Company and credit balance due to them if any against purchases made from entities in which they are interested. For further information, see "Capital Structure" and "Our Management" and "Related Party Transactions" beginning on pages 67, 175 and 199, respectively, of this Red Herring Prospectus.

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

After completion of the Issue, our Promoters and members of the Promoter Group will collectively own 68.61 % of our equity share capital. As a result, our Promoters, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

48. ***Continued operations of our manufacturing facilities are critical to our business and any disruption in the operation of our manufacturing facilities may have a material adverse effect on our business, results of operations and financial condition.***

Our manufacturing facilities are subject to operating risks, such as unavailability of machinery, break-down, obsolescence or failure of machinery, disruption in power supply or processes, performance below expected levels of efficiency, labour disputes, natural disasters, industrial accidents and statutory and regulatory restrictions. Our machines have limited lives and require periodic cleaning as well as annual over hauling maintenance. In the event of a breakdown or failure of such machinery, replacement parts may not be available and such machinery may have to be sent for repairs or servicing. This may lead to delay and disruption in our production process that could have an adverse impact on our sales, results of operations, business growth and prospects.

49. ***Our operations may be adversely affected in case of industrial accidents at our production facility.***

Usage and handling of machinery or any sharp part of any machinery by labour during production process, handling of chemicals and materials, short circuit of power supply for machines, etc. may result in accidents and fires, which could cause indirect injury to our labour, employees, other persons on the site and could also damage our properties thereby affecting our operations. Further our plants and machinery and personnel may not be covered under adequate insurance for occurrence of particular types of accidents which could adversely hamper our cash flows and profitability.

50. ***We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

- **Issue related risk**

51. ***After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.***

The price of the Equity Shares on the Stock Exchange may fluctuate as a result of the factors, including:

a. Volatility in the Indian and global capital market;
b. Company's results of operations and financial performance;
c. Performance of Company's competitors,
d. Adverse media reports on Company or pertaining to the Industry in which we operate;
e. Changes in our estimates of performance or recommendations by financial analysts;
f. Significant developments in India's economic and fiscal policies; and
g. Significant developments in India's environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

52. ***The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the issue price and you may not be able to sell your Equity Shares at or above the Issue Price.***

The Issue Price of our Equity Shares has been determined by book building method. This price is be based on numerous factors (For further information, please refer chapter titled "Basis for Issue Price" beginning on page 98 of this Red Herring Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

53. ***You will not be able to sell immediately on Stock Exchange any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.***

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in the Red Herring Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, 2013, in the event that the permission of listing the Equity Shares is denied by the stock exchange, we are required to refund all monies collected to investors.

54. ***Sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.***

Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

EXTERNAL RISK FACTORS

Industry Risks

55. ***Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.***

Our business and industry is regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

Other Risks

56. ***The Companies Act, 2013 has effected significant changes to the existing Indian company law framework, which may subject us to higher compliance requirements and increase our compliance costs.***

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital, disclosures in Red Herring Prospectus, corporate governance norms, audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. To ensure compliance with the requirements of the Companies Act, 2013, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention.

The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. We may face difficulties in complying with any such overlapping requirements. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013 which are yet to come in force. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

57. ***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 equity shares in an Indian company are generally taxable in India. Any gain realised on the sale of 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 ("STT") has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India, if securities transaction tax has been paid on the transaction. Any gain realised on the sale of shares held for more than 36 months to an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realised on the sale of equity shares held for a period of 36 months or less which are sold other than on a recognised stock exchange and on which no STT has been paid, may be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India.

58. ***Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with SEBI ICDR Regulations contained in this Red Herring Prospectus.***

As stated in the reports of the Auditor included in this Red Herring Prospectus under chapter "Financial Statements as restated" beginning on page 201, the financial statements included in this Red Herring Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Red Herring Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Red Herring Prospectus. Accordingly, the degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is

dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

59. ***Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.***

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include:

- Custom duties on imports of raw materials and components;
- Excise duty on certain raw materials and components;
- Central and state sales tax, value added tax and other levies; and
- Other new or special taxes and surcharges introduced on a permanent or temporary basis from time to time.

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

60. ***The nationalized goods and services tax (GST) regimes proposed by the Government of India may have material impact on our operations.***

The Government of India has proposed a comprehensive national goods and service tax (GST) regime that will combine taxes and levies by the Central and State Governments into a unified rate structure. Given the limited liability of information in the public domain covering the GST we are unable to provide/ measure the impact this tax regime may have on our operations.

61. ***Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

62. ***We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and Pharmaceutical industry contained in the Red Herring Prospectus.***

While facts and other statistics in this Red Herring Prospectus relating to India, the Indian economy and the Pharmaceutical industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled 'Our Industry' beginning on page 115 of this Red Herring Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further,

there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

The Indian securities markets are smaller than securities markets in more developed economies and the regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in the more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. Further, the Indian stock exchanges have experienced volatility in the recent times. The Indian stock 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 and limited price movements. A closure of, or trading stoppage on the SME Platform of BSE could adversely affect the trading price of the Equity Shares.

64. ***Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.***

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

65. ***Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

66. ***The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.***

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy; disrupt the transportation of goods and supplies, and costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

67. ***The availability of spurious pharmaceutical products could lead to losses in revenues and harm the reputation of our products, which may in turn result in a material adverse effect on our business, financial condition and results of operations.***

We are exposed to the risk of spurious products or similar products not manufactured by us being sold under our name and brand. This practice by third parties may harm our corporate reputation

and that of our brand. In the event that the spurious products are manufactured using our brand, we may have to establish that the spurious products are not manufactured and/or marketed by us so that we are able to defend any claim that may be made against us. In order to do so, we mark our products with specific batch numbers and manufacturing and expiry dates, which are maintained in our internal database at our manufacturing facility. We cannot assure you that by dubious activities/processes our products will not be replicated by the manufacturer of the spurious products, and therefore, may suffer financial losses as well as loss to our reputation, which may in turn result in a material adverse effect on our business, financial condition and results of operations.

68. ***Malpractices by some players in the industry affect overall performance of emerging Companies.***

The industry in which our Company operates is subject to risk associated with unethical business practices such as unethical marketing, dishonest advertising, questionable pricing practices, inaccurate claims with regards to safety and efficacy of the product etc. Consumers' attitude toward the industry today is dominated by a sense of mistrust, paving a way for regulators for stricter entry barriers and introduction of code of conducts; making the entire industry environment regulated and controlled. Malpractices by some players in the industry affects the overall performance of the emerging Companies like our as the industry norms are applicable to all at parity. Any unethical business practices by any industry player or intermediary may impact our business and results of operations.

69. ***Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

70. ***Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.***

India has experienced natural calamities such as earthquakes, tsunami, floods etc. In recent years, the extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

71. ***Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

PROMINENT NOTES

1. Public Issue of 29,61,000 Equity Shares of face value of Rs. 10/- each of our Company for cash at a price of Rs. [●]/- per Equity Share (including a share premium of Rs. [●]/- per equity share) ("Issue Price") aggregating upto Rs. [●] Lakhs, of which 1,53,000 Equity Shares of face value of

Rs. [●]/- each will be reserved for subscription by Market Maker to the Issue ("Market Maker Reservation Portion"). The Issue less the Market Maker Reservation Portion i.e. Net Issue of 28,08,000 Equity Shares of face value of Rs. 10 each is hereinafter referred to as the "Net Issue". The Issue and the Net Issue will constitute 27.01 % and 25.62%, respectively of the post Issue paid up equity share capital of the Company.

2. Investors may contact the Book Running Lead Manager (BRLM) or the Company Secretary & Compliance Officer for any complaint/clarification/information pertaining to the Issue. For contact details of the Lead Manager and the Company Secretary & Compliance Officer, please refer to chapter titled "General Information" beginning on page 58 of this Red Herring Prospectus.

3. The pre-issue net worth of our Company was Rs. 1715.60 Lakhs and Rs. 1482.77 Lakhs, as of March 31, 2016, March 31, 2015 respectively. The book value of each Equity Share (adjusted for bonus) was Rs. 21.45 and Rs. 18.53 as of March 31, 2016 and March 31, 2015 respectively as per the restated financial statements of our Company. For more information, please refer to section titled "Financial Statements" beginning on page 201 of this Red Herring Prospectus.

4. The average cost of acquisition per Equity Share by our Promoters is set forth in the table below:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Sanjay Shah	58,67,500	7.61
Rita Shah	2,45,000	10.00
Aarsh Shah	13,07,500	10.00

For further details relating to the allotment of Equity Shares to our Promoters, please refer to the chapter titled "Capital Structure" beginning on page number 67 of this Red Herring Prospectus.

5. Our Company has entered into related party transactions during the previous years. For details on related party transactions and loans and advances made to any company in which Directors are interested, please chapter titled "Financial Statements as restated" beginning on page 201 of this Red Herring Prospectus.

6. Investors may note that in case of over-subscription in the Offer, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled "Issue Structure" beginning on page 275 of this Red Herring Prospectus.

7. Except as disclosed in the chapter titled "Capital Structure", "Our Promoters and Promoter Group", "Our Management" and "Related Party Transaction" beginning on pages 67, 188, 175 and 199 respectively, of this Red Herring Prospectus, none of our Promoters, Directors or Key Management Personnel has any interest in our Company.

8. Except as disclosed in the chapter titled "Capital Structure" beginning on page 67 of this Red Herring Prospectus, we have not issued any Equity Shares for consideration other than cash.

9. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.

10. Investors are advised to refer to the chapter titled "Basis for Issue Price" beginning on page 98 of this Red Herring Prospectus.

11. 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 during the period of six months immediately preceding the date of filing of this Red Herring Prospectus with the Stock exchange.

12. Our Company was incorporated as "Sakar Healthcare Private Limited" at Ahmedabad, Gujarat as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 26, 2004 bearing Corporate Identification Number U24231GJ2004PTC43861 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, our Company was converted into Public Limited Company pursuant to Shareholders resolution passed at the Extraordinary General Meeting of our Company held on March 09, 2015 and the name of our Company was changed to "Sakar Healthcare Limited" and a Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company dated

March 27, 2015 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U24231GJ2004PLC043861. For further details of change of name and registered office of our Company, please refer to chapter titled 'Our History and Certain Other Corporate Matters' beginning on page 170 of this Red Herring Prospectus.

13. As on date of this Red Herring Prospectus, our Company has group Company as disclosed in the chapter titled "Capital Structure" beginning on page 67 of this Red Herring Prospectus

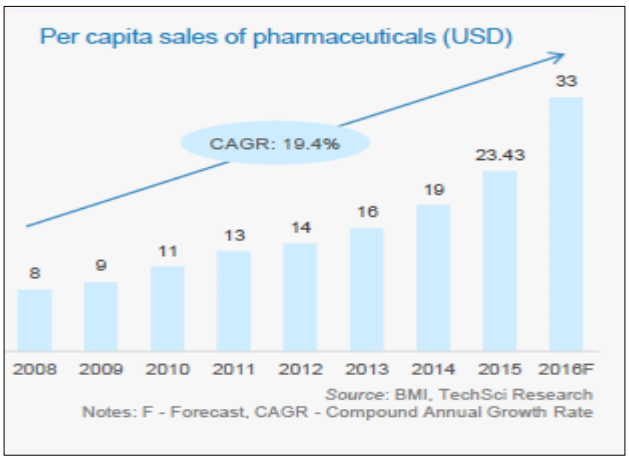
SECTION III: INTRODUCTION

SUMMARY OF OUR INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. 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. You should read the entire Red Herring Prospectus, including the information contained in the sections titled "Risk Factors" and "Financial Statements" and related notes beginning on page 19 and 201 respectively of this Red Herring Prospectus before deciding to invest in our Equity Shares.

INTRODUCTION: PHARMACEUTICALS INDUSTRY

- Growing per capita sales of pharmaceuticals in India offers ample opportunities for players in this market
- Per capita sales of pharmaceuticals is expected to expand at a CAGR of 19.4 per cent to USD33 by 2016F
- Economic prosperity would improve affordability for generic drugs in the market and improve per capita sales of pharmaceuticals in India



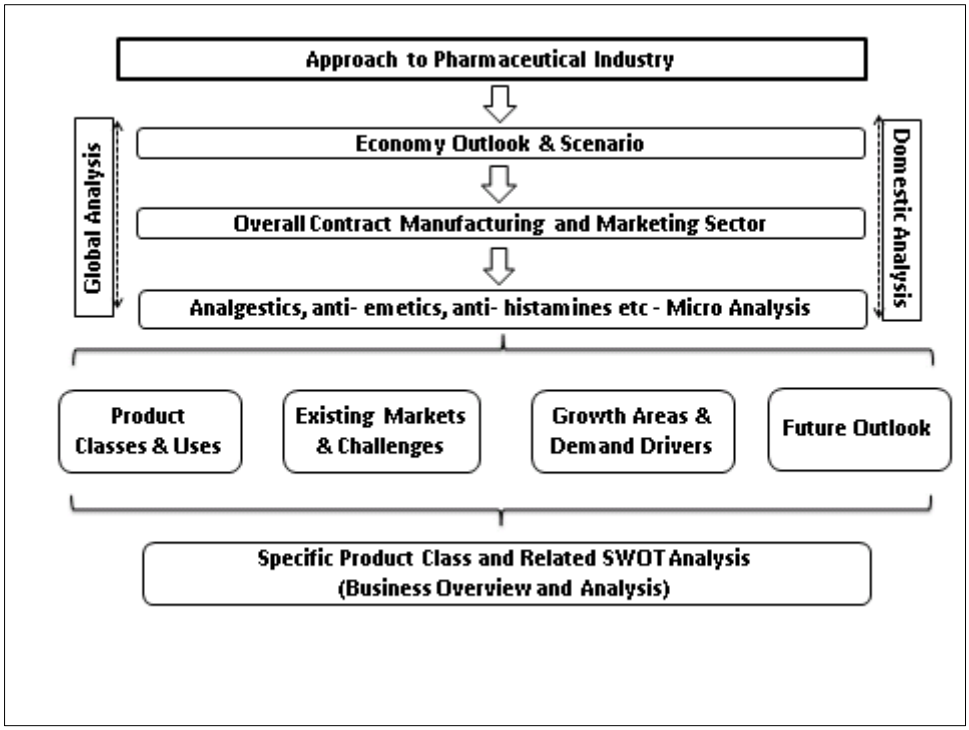
(Source: Pharmaceuticals, India Brand Equity Foundation, www.ibef.org)

APPROACH TO INDUSTRY ANALYSIS

Analysis of Pharmaceuticals Industry needs to be approached at both macro and micro levels, whether for domestic or global markets. Pharmaceuticals Industry forms part of Manufacturing Sector at a macro level. Hence, broad picture of Manufacturing Sector should be at preface while analysing the Pharmaceuticals Industry.

Manufacturing sector comprises various industries, which in turn, have numerous sub-classes or products. One such major industry in the overall Manufacturing sector is 'Pharmaceuticals Industry', which in turn encompasses various components one of them being "Analgestics, anti-emetics, anti-histamines etc."

Thus, Analgestics, anti-emetics, anti- histamines etc Segment should be analysed in the light of 'Pharmaceuticals industry' at large. An appropriate view on Analgestics, anti-emetics, anti-histamines etc Segment, then, calls for the overall economy outlook, performance and expectations of Infrastructure Sector, position of Pharmaceuticals Industry and micro analysis.



This Approach Note is developed by Pantomath Capital Advisors Private Limited ('Pantomath') and any unauthorized reference or use of this Note, whether in the context of Pharmaceuticals Industry and/or any other industry, may entail legal consequences.

GLOBAL ECONOMIC ENVIRONMENT

INTRODUCTION

Since the Economic Survey and Budget were presented a year ago, the Indian economy has continued to consolidate the gains achieved in restoring macro-economic stability. Inflation, the fiscal deficit, and the current account deficit have all declined, rendering India a relative haven of macro stability in these turbulent times. Economic growth appears to be recovering, albeit at varying speeds across sectors.

At the same time, the upcoming Budget and 2016-17 (FY-2017) economic policy more broadly, will have to contend with an unusually challenging and weak external environment. Although the major international institutions are yet again predicting that global growth will increase from its current subdued level, they assess that risks remain tilted to the downside. This uncertain and fragile outlook will complicate the task of economic management for India.

The risks merit serious attention not least because major financial crises seem to be occurring more frequently. The Latin American debt crisis of 1982, the Asian Financial crisis of the late 1990s, and the Eastern European crisis of 2008 suggested that crises might be occurring once a decade. But then the rapid succession of crises, starting with Global Financial Crisis of 2008and proceeding to the prolonged European crisis, the mini-crises of 2013, and the China provoked turbulence in 2015 all hinted that the intervals between events are becoming shorter.

This hypothesis could be validated in the immediate future, since identifiable vulnerabilities exist in at least three large emerging economies China, Brazil, Saudi Arabia at a time when underlying growth and productivity developments in the advanced economies are soft. More flexible exchange rates, however, could moderate full-blown eruptions into less disruptive but more prolonged volatility.

One tail risk scenario that India must plan for is a major currency re-adjustment in Asia in the wake of a similar adjustment in China; as such an event would spread deflation around the world. Another tail risk scenario could unfold as a consequence of policy actions say, capital controls taken to respond to

curb outflows from large emerging market countries, which would further moderate the growth impulses emanating from them.

In either case, foreign demand is likely to be weak, forcing India in the short run to find and activate domestic sources of demand to prevent the growth momentum from weakening. At the very least, a tail risk event would require Indian monetary and fiscal policy not to add to the deflationary impulses from abroad. The consolation would be that weaker oil and commodity prices would help keep inflation and the twin deficits in check.

(Source: Economic Survey 2015-16-Volume I; www.indiabudget.nic.in)

GLOBAL ECONOMIC OVERVIEW

The global macroeconomic landscape is currently chartering a rough and uncertain terrain characterized by weak growth of world output. The situation has been exacerbated by; (i) declining prices of a number of commodities, with reduction in crude oil prices being the most visible of them, (ii) turbulent financial markets (more so equity markets), and (iii) volatile exchange rates. These conditions reflect extreme risk-aversion behaviour of global investors, thus putting many, and in particular, commodities exporting economies under considerable stress.

One important positive outcome in 2015 is the modest pickup in the growth of some of the advanced economies. However, growth in emerging market and developing economies declined for the fifth consecutive year. As a result, overall global economic activity remained subdued in 2015. In its latest Update of the World Economic Outlook (WEO), published on 19 January 2016, the IMF projected growth in the global economy to improve from 3.1 per cent in 2015, to 3.4 per cent in 2016 and further to 3.6 per cent in 2017. Growth in advanced economies is projected at 2.1 per cent in 2016 and to continue through 2017 at the same rate.

The slowdown and rebalancing of the Chinese economy, lower commodity prices, and strains in some large Emerging Market and Developing economies (EMDE) are likely to continue to weigh on their growth prospects in 2016–17. Assessments indicate that mixed inflation developments in the EMDEs reflect the conflicting implications of weak domestic demand and lower commodity prices versus marked currency depreciations over the past year. The WEO update also indicated that India and the rest of emerging Asia are bright spots, with some other countries facing strong headwinds from China's economic rebalancing and global manufacturing weakness. World trade volume growth projections have been placed at 2.6 per cent and 3.4 per cent respectively for 2015 and 2016, which is much lower than what was estimated earlier in WEO in October 2015.

(Source: Economic Survey 2015-16-Volume II; www.indiabudget.nic.in)

GLOBAL OUTLOOK FOR GROWTH

One important positive outcome in 2015 was the modest pick-up in growth in some of the advanced economies. It might be recalled that after falling in 2009 due to the 2008 global financial crisis, growth in emerging and developing economies rebounded in 2010 and 2011. While advanced economies also exhibited a recovery in 2010 thanks to the large stimuli, global growth continued to be tepid relative to the average of the decade ending 2006, largely on account of the slowdown in advanced economies. Spill over effects of the crisis may have been large, prolonged and bi-directional, given that the global integration is far greater than in the prior decade. This has made the task of projecting global economic outlook arduous. This uncertainty has led to the International Monetary Fund (IMF) revising the global growth outlook in its World Economic Outlook (WEO) four times a year since 2009.

In its latest WEO Update, published on 19 January 2016, the IMF has projected growth in the global economy to go up from 3.1 per cent in 2015 to 3.4 per cent in 2016 and further to 3.6 per cent in 2017, slightly lower than the projection published in October 2015. Growth in advanced economies is revised by 0.2 percentage points in 2016 to 2.1 per cent, to continue through 2017. Growth in the US is expected to remain resilient owing to strengthening of the housing and labour markets. Growth in the euro area is expected to increase due to stronger private consumption supported by lower oil prices and easy financial conditions is expected to outweigh the weakening in net exports. Growth in

Japan is also expected to consolidate in 2016, on the back of fiscal support, lower oil prices, accommodative financial conditions, and rising incomes.

Overall global economic activity remained subdued in 2015, as growth in emerging market and developing economies (EMDE) declined for the fifth consecutive year and recovery in advanced economies was modest. This is also attributable to the changing composition of the global economy and relative point contributions to global growth. The fall in the contribution of the EMDEs is not being made good by the advanced economies. A recent feature is that the Chinese economy is gradually slowing down and is transitioning from investment demand to consumption demand and from manufacturing to services. The concern over the spill over's of subdued global growth to other economies through trade channels and weaker commodity prices is manifest in diminishing confidence and increasing volatility in financial markets. In addition, a dual monetary policy-a gradual tightening in monetary policy in the US in the backdrop of its resilient recovery and easy monetary policy in several other major advanced economies has led to continued uncertainties and poses challenges for the year ahead. In the case of EMDEs, growth remained subdued at 4 per cent in 2015, but is projected to increase to 4.3 per cent in 2016 and 4.7 per cent in 2017. The slowdown and rebalancing of the Chinese economy, lower commodity prices, and strains in some large emerging market economies will continue to weigh on growth prospects in 2016–17. Assessments indicate that mixed inflation developments in EMDEs reflect the conflicting implications of weak domestic demand and lower commodity prices versus marked currency depreciations over the past year.

The 19 January WEO Update also indicated that India and the rest of emerging Asia are bright spots, albeit with some countries facing strong headwinds from China's economic rebalancing and global manufacturing weakness. The IMF's growth forecast for India is 7.5 per cent in 2016 and 2017 and this surpasses the projection of 6.3 per cent and 6.0 per cent respectively for China. The level of global economic activity has a significant and direct bearing on the growth prospects of the emerging economies through trade channels. As per the Update, world trade volume growth projections have been placed at 3.4 per cent and 4.1 per cent respectively for 2016 and 2017 lower by 0.7 percentage points to 0.5 percentage point respectively from WEO, October 2015. The World Bank's Report on Global Economic Prospects (January 2016) also estimated that India will grow by a robust 7.8 per cent in 2016 and 7.9 per cent in the following two years. Compared to other major developing countries, the report maintained that India is well positioned to withstand near-term headwinds and volatility in global financial markets due to reduced external vulnerabilities, a strengthening domestic business cycle, and a supportive policy environment.

(Source: Economic Survey 2015-16-Volume II; www.indiabudget.nic.in)

OUR BUSINESS

OVERVIEW

Having a vision to make lives healthy, happy and more meaningful by providing healthcare solutions, Sakar Healthcare Limited, was incorporated on March 26, 2004. Subsequently, our Company was converted into a public limited company and a fresh Certificate of Incorporation consequent upon change of name on Conversion to Public Limited Company dated March 27, 2015 was issued by the Registrar of Companies, Gujarat, Ahmedabad and the name of our Company has got changed to "Sakar Healthcare Limited".

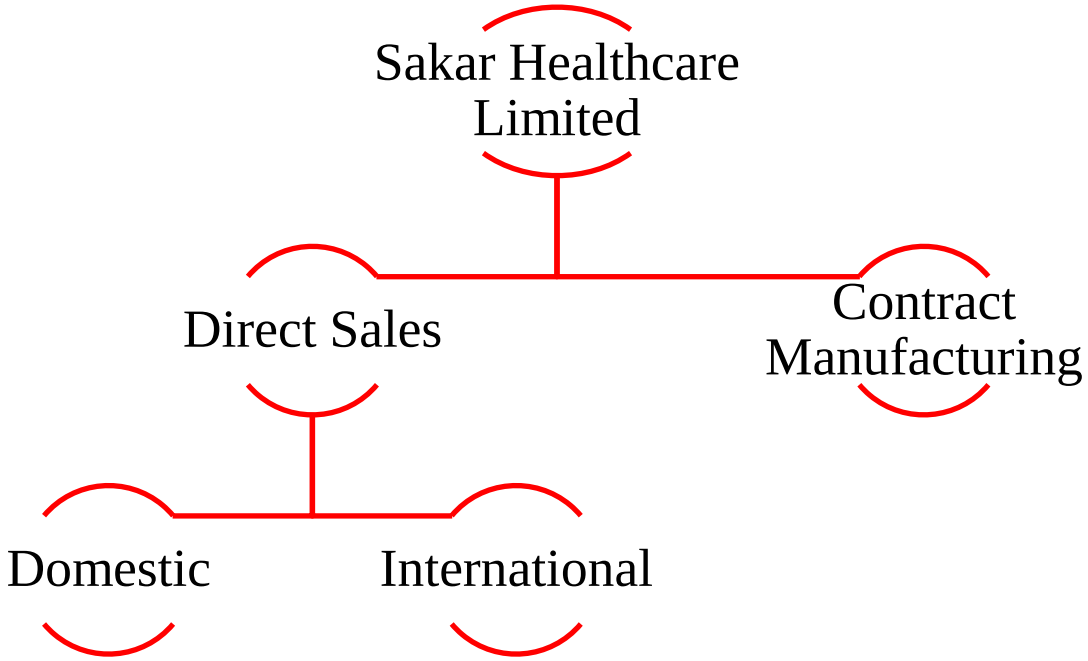
We are an Indian pharmaceutical company engaged in the manufacturing and marketing of our own pharmaceutical formulations for domestic and international markets. Our own Product domestic sales are generally exported by third party. We also undertake contract manufacturing of formulations for pharmaceutical companies based in India.

We manufacture and market pharmaceutical formulations relating to analgesics, antielminthics, anti coagulants, anti malarial, anti spasmodics, antianemics, antibiotics, anti-emetics, anti-histamines, bronchodilators, corticosteroids, cough and cold preparations, multivitamins, etc.

Our Company is managed by a team of professionals headed by our Managing Director having experience in manufacturing and export of pharmaceutical and health care products to various countries. Our preliminary business area and key focus was in contract manufacturing in the past years. As a contract manufacturer, our Company undertakes manufacturing on behalf of some of the leading pharmaceutical companies in India, in accordance with the terms of the relevant agreements entered into with these companies. However our own pharmaceutical formulation manufacturing and marketing has increased recently and we have also expanded our business to international markets. We have registered our products in various countries which are marketed through supply, distribution and other arrangements with various dealers / distributors. As of March 31, 2016 we have about 35 distributors in various markets, primarily in 20 emerging countries of Africa, Latin America, South East Asia and Middle East. We commenced our exports in the year 2007 and have achieved export sales of Rs. 1218.87 lakhs in the Financial Year ended March 31, 2016. Our manufacturing facilities are located at Changodar, Ahmedabad, Gujarat. Our facilities have been approved by various international regulatory authorities such as BVQI, WHO, GMP, CGMP and National Drug Authority of various countries including Nigeria, Ethopia, Ghana, Bolivia, Yemen and Philippines, Uganda, Ivory Coast, etc.

The Registered office and manufacturing facilities of our Company are located at Plot No. 10/13, Near M.N.Desai Petrol Pump, Sarkhej Bavla Highway, Changodar, Ahmedabad – 382 213, Gujarat. Our production facility is divided into four manufacturing plants namely Plant I, II, III and IV spread across 10,022 square meters having different product manufacturing capabilities and process. Each of the facilities is designed equipped and operated to deliver desired products.

OUR BUSINESS MODEL



We are engage in manufacturing and marketing of our own formulations for the Indian as well as global markets. The Table set forth below presents a breakdown of our sales in India and international markets, also expressed as a percentage of our revenue from operations, for fiscals 2012, 2013, 2014 2015 and 2016

REVENUE BREAK- UP

Particulars	For the Year Ended March 31,									
	2012		2013		2014		2015		2016	
	Rs. in Lakhs	% of Revenue from Operations	Rs. in Lakhs	% of Revenue from Operations	Rs. in Lakhs	% of Revenue from Operations	Rs. in Lakhs	% of Revenue from Operations	Rs. in Lakhs	% of Revenue from Operations
Direct										
Domestic (Majorily 3rd party exports)	372.22	61.30	1318.42	60.18	1640.22	55.26	2020.07	57.67	1996.01	48.42 %
Export	428.48	0.80	33.99	1.55	215.69	7.27	503.09	14.36	1218.87	29.57 %
Total (B)	**800.70**	**62.11**	**1352.41**	**61.73**	**1855.91**	**62.53%**	**2523.16**	**72.03%**	3214.88	77.98 %
Job work	818.4	37.89	838.2	38.27	1112.	37.47%	979.5	27.9	907.72	22.

	6		9		33		7	7		02 %
Total (A)	**818.46**	**37.89**	**838.29**	**38.27**	**1112.33**	**37.47%**	**979.57**	**27.97**	**907.72**	**22.02 %**
Revenue from operations	1619.16	100.00	2190.70	100.00	2968.24	100.00	3502.73	100.00	4122.6	100 %

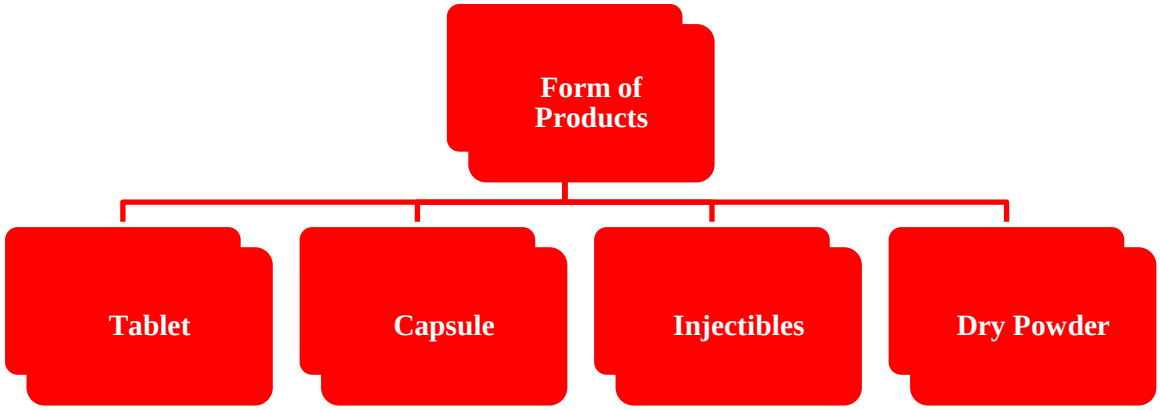
SALES ANALYSIS

Particulars	2016		2015		2014		2013		2012	
	Rs. in Lakhs	% of Revenue	Rs. in Lakhs	% of Revenue	Rs. in Lakhs	% of Revenue	Rs. in Lakhs	% of Revenue	Rs. in Lakhs	% of Revenue
Nigeria	217.36	5.27 %	240.34	6.86 %	114.32	4%	19.37	1%	Nil	Nil
Ethiopia	132.91	3.22 %	29.06	0.83 %	45.29	2%	Nil	Nil	Nil	Nil
France	17.51	0.42 %	29.18	0.83 %	Nil	Nil	Nil	Nil	Nil	Nil
Ghana	0	0%	0	0%	Nil	Nil	Nil	Nil	364.21	22 %
Uganda	105.01	2.55 %	3.69	0.11 %	Nil	Nil	Nil	Nil	Nil	Nil
Guyana	6.8	0.16 %	10.26	0.29 %	Nil	Nil	Nil	Nil	Nil	Nil
Combodia	18.32	0.44 %	22.41	0.64 %	Nil	Nil	Nil	Nil	Nil	Nil
Mauritius	0	0%	14.96	0.43 %	Nil	Nil	Nil	Nil	Nil	Nil
Philippines	171.88	4.17 %	17.8	0.51 %	Nil	Nil	Nil	Nil	Nil	Nil
Hongkong	0	0%	16.98	0.48 %	Nil	Nil	Nil	Nil	Nil	Nil
Bolivia	42.33	1.03 %	40.71	1.16 %	Nil	Nil	Nil	Nil	Nil	Nil
Malawi	17.63	0.43 %	9.12	0.26 %	Nil	Nil	Nil	Nil	Nil	Nil
Praguay	17.00	0.41 %	24.9	0.71 %	Nil	Nil	Nil	Nil	Nil	Nil
Cyprus	0	0%	43.68	1.25 %	Nil	Nil	Nil	Nil	Nil	Nil
Other African Countires	0	0%	0	0%	56.08	2%	14.62	1%	64.27	4%
Rd Congo	98.07	2.38 %	0	0%	Nil	Nil	Nil	Nil	Nil	Nil
Myanmar	149.75	3.63 %	0	0%	Nil	Nil	Nil	Nil	Nil	Nil
Mali	27.82	0.67 %	0	0%	Nil	Nil	Nil	Nil	Nil	Nil
Vietnam	126.79	3.08 %	0	0%	Nil	Nil	Nil	Nil	Nil	Nil
Kenya	21.11	0.51 %	0	0%	Nil	Nil	Nil	Nil	Nil	Nil

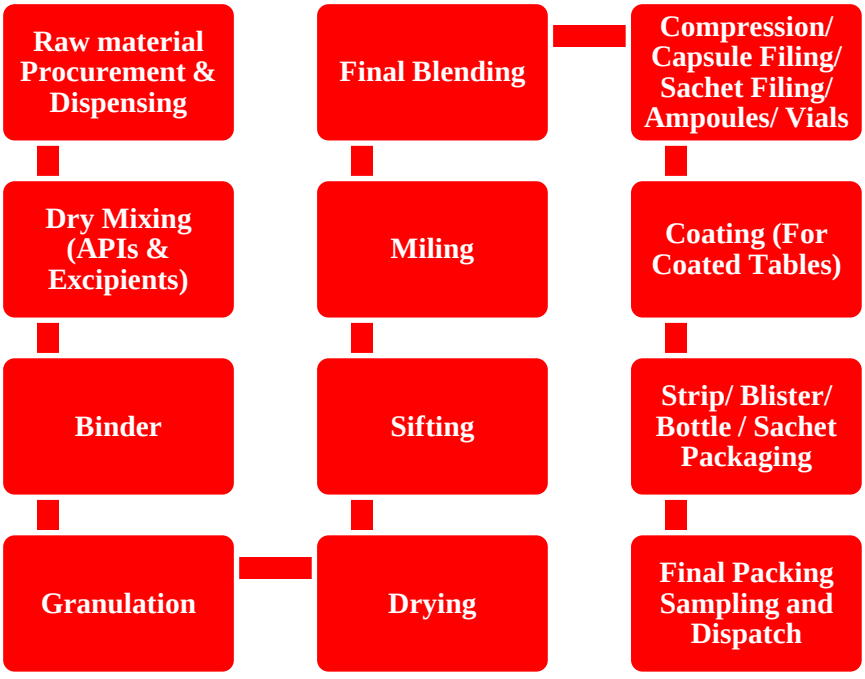
Cameroon	48.58	1.18 %	0	0%	Nil	Nil	Nil	Nil	Nil	Nil
Total	**1218.87**	**29.55%**	**503.09**	**14.36%**	**215.69**	**8.00 %**	**33.99**	**2.00 %**	**428.48**	**26.00 %**

BRIEF MANUFACTURING PROCESS

Forms of Product



The manufacturing process of Formulations differs from product to product i.e. between Tablets, Injectibles (Liquid or Dry Powder), Capsules and Powders. However, it typically involves a fixed series of steps under controlled conditions of temperature, relative humidity, hygiene and specific classified conditions to manufacture the finished products. For each product, we identify several alternative specification of manufacturing process and choose the most appropriate for the situation, viz., Stability during shelf life, economic, patent non-infringing, achieving a desired quality standard, environment impact, etc. It is then suitably packed in different packaging material like Strip Packing, Blister Packing, Bottle packing or Sachets depending on the requirements of the customer. The basic series of process for manufacturing is as follows



A. ORAL LIQUID

The dedicated Oral Liquid Products are manufactured in a controlled air environment under strict hygienic conditions, on fully automatic line. It is a fully automatic line from initial bottle washing up to the final packaging of the products. We have made efforts to secure a no contamination in order to achieve desired quality of the products. Further, we are having in-house facilities for manufacturing Pet Bottles on Fully Automatic Blowing Machine. The production process in this plant is suitable for both pet and glass bottles.

B. CAPSULES:

Our Company has automatic capsule filling machine which is suitable for filling powders and pellets. The machine is functional in use as they have capabilities for output and over rules handy operations. It also conforms to the GMP guidelines with various safety features for maximum protection. Capsule fillers are used to fill gelatin with pre determined quantity of liquids, powders, pellets, tablets. Capsules are normally fed into the machine, the filler then align, opens and accurately fills each capsule and recloses. Fillers generate minimum dust with lowest level of product loss. Non-separated, double loaded capsules and improperly inserted capsules are automatically rejected by machines to maintain the consistency in the quality of product. Most capsule fillers are characterized with fast changeover time to accommodate a variety of capsules in terms of shapes and size.

These machines requires minimal maintenance and easy to clean. Also, the installation of speed adjusting equipment and automatic counters ensures the right quantity of capsules being filled and packed.

C. TABLETS:

The manufacture of tablets is a complex multi-stage process under which the materials change their physical characteristics a number of times before the final dosage form is produced. The tablets have been made by granulation; wet granulation and dry granulation. Regardless of whether tablets are made by direct compression or granulation, the steps of milling and mixing is the same. Numerous unit processes are involved in making tablets, including particle size reduction and sizing, blending, granulation, drying, compaction, and (frequently) coating.

D. INJECTIBLES

Injectable drug products are developed into several different types depending upon the characteristics of the drug, the desired onset of action of the drug, and the desired route of administration. Once the pre-formulation and formulation studies have identified a suitable drug product, the next step includes learning how the formulation behaves/interacts in an aseptic manufacturing facility. At this point in the manufacturing process the formulated drug product enters the clean room. It remains under these conditions until the product is filled, stoppered, and capped. Microfilters are used to remove particles in the 0.1 to 10 micron size range from the formulated drug product. The next step in the process is to sterilize the solution using one of the filters. Once the product has been filtered into a sterile filling container and the filter passes the post-fill integrity test, it is now ready to fill into its primary container. Sterile tubing is placed into the sterile solution, which leads first to pumps and then to filling needles. Once the vials have been filled, they travel down the filling line to have pre-sterilized stoppers inserted. Caps are used to secure the stopper in the neck of the vial to prevent the stopper from coming out either over time or during handling. After the product has been manufactured, tested, it moves to Inspection. Once the product is released from Inspection, it moves to Labeling. After labeling, the product is packaged.

E. DRY POWDER

At first weighing and dispensing of all ingredients takes place required for manufacturing dry powder. Filtering of ingredients is done using a mechanical shifter. After filtering all the ingredients the powder is transferred to drum mixer. Drum mixer's provide efficient mixing and leave very little build up within the mixer. The drum mixers are configured in such a manner that proper mixing and as desired quality control of the end product is attained. The next step is filling and scaling of dry powder manufactured by automatic machine into the bottles. These bottles are then labelled using automatic labelling machine. After these bottles are labelled packing and cartoning of these bottles takes place using packing and cartoning machine.

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SUMMARY OF FINANCIAL STATEMENTS

ANNEXURE I: STANDALONE SUMMARY STATEMENT OF ASSETS AND LIABILITIES (AS RESTATED)

Rs. In Lakhs

Particulars	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Equity Liabilities					
Share Holder's Fund					
(a) Share Capital	800.00	800.00	800.00	800.00	800.00
(b) Reserve & Surplus	915.60	682.77	499.12	323.93	179.42
(c) Share Application Money Pending Allotement	--	--	88.00	88.00	88.00
Non Current Liabilities					
(a) Long Term borrowings	1,542.11	1,878.18	1,760.63	1,980.63	2,338.24
(b) Deferred Tax Liabillities	633.32	633.32	626.37	602.68	571.05
(c) Long Term Provisions	--	--	--	--	--
Current Liabilities					
(a) Short Term borrowings	391.12	596.83	671.99	719.83	900.28
(b) Trade Payables	397.56	96.09	352.21	252.40	142.91
(c) Other Current Liabilities	399.47	292.22	413.66	228.69	50.46
(d) Short Term Provisions	31.77	38.09	21.69	13.21	17.85
Total	**5,110.95**	**5,017.50**	**5,233.67**	**5,009.37**	**5,088.21**
Assets					
Non Current Assets					
(a) Fixed Assets	3,724.95	3,618.32	3,801.14	3,740.95	3,657.82
(b) Non Current Investment					
(C) Deferred Tax Assets					
(d) Long Term Loans and Advances	28.26	28.26	28.26	28.26	28.26
(e) Other Non Current Assets					
Current Assets					
(a) Current Investment					
(b) Inventories	644.71	673.81	687.42	650.73	483.34
(c) Trade Receivable	297.66	200.53	224.99	134.45	110.76
(d) Cash and Bank Balances	22.93	93.32	8.99	16.60	370.65
(e) Short Term Loans and Advacnes	392.44	403.26	482.87	438.38	437.38
(f) Other Current Assets					
Total	**5,110.95**	**5,017.50**	**5,233.67**	**5,009.37**	**5,088.21**

ANNEXURE II: STANDALONE STATEMENT OF PROFIT AND LOSS ACCOUNT (AS RESTATED)

Rs in Lakhs

Particulars	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Revenue from operations:	4122.60	3,502.73	2,968.64	2,190.71	1,619.16
Other income	20.64	2.54	2.39	6.36	7.57
Total Revenue	**4,143.24**	**3,505.27**	**2,971.03**	**2,197.07**	**1,626.73**
Expenses:					
Cost of Material Consumed	2,187.60	1,824.14	1,273.90	925.66	472.41
Changes in inventories of finished goods, WIP and Stock-in-Trade	9.16	(90.86)	49.00	(79.64)	(29.36)
Employee benefits expense	478.90	400.21	332.15	247.54	174.15
Finance costs	293.61	298.52	374.58	384.28	377.53
Depreciation and amortization expense	273.36	249.63	211.90	197.66	185.65
Preliminary Expenses written off					
Other expenses	612.78	582.03	529.12	343.58	300.41
Total Expenses	**3,855.41**	**3,263.67**	**2,770.65**	**2,019.08**	**1,480.79**
Profit before extraordinary items and tax	**287.83**	**241.60**	**200.38**	**177.99**	**145.94**
Extraordinary item					
Profit Before Tax	**287.83**	**241.60**	**200.38**	**177.99**	**145.94**
Provision for Tax					
- Current Tax	55.00	51.00	41.60	36.75	35.91
- Fringe Benefit Tax					
- Tax adjustment of prior years					
- Deferred Tax Liability / (Asset)	-	6.95	23.69	31.63	45.38
- MAT Credit	0.00	0.00	(40.10)	(34.90)	(34.51)
Restated profit after tax from continuing operations	**232.83**	**183.65**	**175.19**	**144.51**	**99.16**
Restated profit for the year					
Balance brought forward from previous year	522.77	339.12	163.93	19.42	(79.74)
Accumulated Profit/ (Loss) carried to Balance Sheet	755.60	522.77	339.12	163.93	19.42

ANNEXURE III: STANDALONE SUMMARY STATEMENT OF ASSETS AND LIABILITIES (AS RESTATED)

Rs in Lakhs

Particulars	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
1.Cash Flow From Operating Activities:					
Net Profit before tax and extraordinary item	287.83	241.60	200.38	177.99	145.94
Adjustments for:					
Depreciation and amortization expense	273.36	249.63	211.90	197.66	185.65
MAT Credit			40.10	34.90	34.51
Interest Paid	293.61	298.52	374.58	384.28	377.53
Provision for Gratuity					
(Profit)/Loss on sale of Fixed Assets					
Interest Received/ Other Non Operative Receipts	20.64	2.54	2.39	6.36	7.57
Operating Profit before Working Capital Changes	834.16	787.21	824.57	788.47	736.06
Adjustments for:					
Inventories	(29.10)	(13.61)	36.69	167.39	(43.93)
Trade Receivables	97.13	(24.46)	90.54	23.69	(166.12)
Short term loans and advances and other current assets	-10.82	-79.61	44.49	1.00	-197.38
Short term borrowings	(205.71)	(75.16)	(47.84)	(180.45)	242.02
Trade Payables	301.47	-256.12	99.81	109.49	-157.81
Other Current Liabilities	100.93	-105.04	193.45	173.59	-55.21
Cash Generated from Operation	**973.64**	**468.57**	**898.27**	**699.02**	**1,172.49**
Taxes Paid	55.00	51.00	41.60	36.75	35.91
Net Cash from Operating Activities	**918.64**	**417.57**	**856.67**	**662.27**	**1,136.58**
2. Cash Flow From Investing Activities:					
Fixed Assets Purchased	379.99	66.81	272.09	280.79	432.35
Increase Capital Work In Progress					
Sale of Fixed Assets					
Interest Received	20.64	2.54	2.39	6.36	7.57
Long/Short Term Loans and Advance	0.00	0.00	0.00	0.00	0.00
Long Term Provisions					
Interest on Fixed Deposit					
Net Cash from Investing Activities	**-359.35**	**-64.27**	**-269.70**	**-274.43**	**-424.78**
3. Cash Flow From Financing Activities:					
Payments of short term borrowings					

Interest Paid	293.61	298.51	374.58	384.28	377.53
Interest received					
Proceeds from issue of shares	0.00	-88.00	0.00	0.00	0.00
Proceeds from Long term borrowings	-336.07	117.54	-219.99	-357.61	-6.00
Short Term Loans & Advances given					
Preliminary Expenses incurred					
Security premium received					
Transfer of Share Application Money					
Net Cash from Financing Activities	**(629.68)**	**(268.97)**	**(594.57)**	**(741.89)**	**(383.53)**
Net Increase/ (Decrease) in Cash & Cash Equivalents	**(70.39)**	**84.33**	**(7.60)**	**(354.05)**	**328.27**
Cash & Cash Equivalents at the beginning of the year	93.32	8.99	16.60	370.65	42.38
Cash & Cash Equivalents at the end of the year	22.93	93.32	9.00	16.60	370.65

THE ISSUE

The following table summarizes the Issue details:

Particulars	Details of Equity Shares
Issue of Equity Shares by our Company	29,61,000 Equity Shares of face value of Rs.10 each fully paid of the Company for cash at price of Rs. [●] per Equity Share aggregating Rs. [●] lakhs
Of which:	
Market Maker Reservation Portion	1,53,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. [●] per Equity Share aggregating Rs. [●] lakhs
Net Issue to the Public	28,08,000 Equity Shares of face value of Rs.10 each fully paid of the Company for cash at price of Rs. [●]/- per Equity Share aggregating Rs. [●] lakhs
	Of which:
	14,04,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. [●] per Equity Share aggregating Rs.[●] lakhs will be available for allocation to investors up to Rs. 2.00 Lakhs
	14,04,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. [●]/- per Equity Share aggregating Rs. [●] lakhs will be available for allocation to investors above Rs. 2.00 Lakhs
Pre and Post Issue Equity Shares	
Equity Shares outstanding prior to the Issue	80,00,000 Equity Shares of face value of Rs. 10 each
Equity Shares outstanding after the Issue	1,09,61,000 Equity Shares of face value of Rs. 10 each
Use of Proceeds	For further details please refer chapter titled *"Objects of the Issue"* beginning on page 87 of this Red Herring Prospectus for information on use of Issue Proceeds.

Notes

1. Market Maker Reservation Portion will be 5% of Fresh Issue proceeds divided by floor price, subject to adjustments of lot size. Further the Market Maker Reservation Portion shall be not less than 5% of shares issued under the IPO as required as per regulation 106V, sub regulation (4) of SEBI (ICDR) Regulations.
2. This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. The Issue is being made through the Book Building method and hence, as per regulation 43, sub regulation (4) of SEBI (ICDR) Regulations, at least 50% of the Net Issue to public will be available for allocation on a proportionate basis to Retail Individual Applicants, subject to valid Applications being received at the Issue Price. For further details please refer to section titled *'Issue Information'* beginning on page 268 of this Red Herring Prospectus.
3. The Issue has been authorized by the Board of Directors *vide* a resolution passed at its meeting held on September 01, 2016 and by the shareholders of our Company *vide* a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on September 06, 2016.

For further details please refer to chapter titled "*Issue Structure*" beginning on page 275 of this Red Herring Prospectus.

GENERAL INFORMATION

Our Company was incorporated as "Sakar Healthcare Private Limited" at Ahmedabad, Gujarat as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 26, 2004 bearing corporate identification number U24231GJ2004PTC043861 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, our Company was converted into public company pursuant to shareholders resolution passed in the Extraordinary General Meeting held on March 09, 2015 and the Company was converted into a public limited Company vide fresh certificate of incorporation issued on March 27, 2015 by Registrar of Companies, Gujarat, Ahmedabad and the name of our Company was changed to "Sakar Healthcare Limited". The Corporate Identification Number of our Company is U24231GJ2004PLC043861.

For details of Incorporation, change of name and registeredoffice of our Company, please refer to chapter titled '*Our History and Certain Other Corporate Matters*' beginning on page 170 of this Red Herring Prospectus

REGISTERED OFFICE OF OUR COMPANY

Sakar Healthcare Limited
Plot No. 10/13, Nr. M N. Desai Petrol Pump,
Sarkhej Bavla Highway,
Changodar, Ahmedabad – 382 213
Gujarat, India
Tel.: +91 2717 250477
Fax: +91 2717 251 621
E-mail: info@sakarhealthcare.com
Website: www.sakarhealthcare.com

DESIGNATED STOCK EXCHANGE

NSE Emerge, SME Platform of NSE
Exchange Plaza,
Plot no. C/1, G Block,
Bandra - Kurla Complex
Bandra (E),
Mumbai - 400 051
Maharshtra, India

REGISTRAR OF COMPANIES

Registrar of Companies, Ahmedabad
ROC Bhavan , Opp Rupal Park Society,
Behind Ankur Bus Stop, Naranpura,
Ahmedabad-380013
Website:www.mca.gov.in

OUR BOARD OF DIRECTORS

The following table sets out details regarding our Board as on the date of this Red Herring Prospectus:

Name	Age(in Years)	DIN	Address	Designation
Sanjay Shah	57	01515296	7, Arun Society, Paldi, Ahmedabad – 380007, Gujarat, India	Managing Director
Rita Shah	52	01515340	7, Arun Society, Paldi, Ahmedabad – 380007, Gujarat, India	Whole Time Director
Aarsh Shah	25	05294294	7, Arun Society, Paldi, Ahmedabad – 380007, Gujarat, India	Joint Managing Director
Shailesh Patel	55	01835567	12, Swastik Society, Shriji Krupa, N.S. Rd No. 2 J.V.P.D Scheme, Mumbai 400056	Independent Director

Name	Age(in Years)	DIN	Address	Designation
			Maharashtra India	
Prashant Srivastav	37	02257146	16, Hem Apartments, Nehru Park Lad Society Road Vastrapur Ahmedabad – 380015, Gujarat , India	Independent Director
Hardik Mehta	28	07153485	Pratik, Near Shrinivas Society, B/H Samkit Flats, Vikas Gruh Road, Paldi Ahmedabad 380007 Gujarat India	Independent Director

For further details of our Directors, please refer to the chapter titled *"Our Management"* beginning on Page 175 of this Red Herring Prospectus.

SYNDICATE MEMBERS

Choice Equity Broking Private Limited Shree Shakambhari Corporate Park, Plot No. 156-158,Chakravarti Ashok Society, J.B.Nagar, Andheri (E), Mumbai – 400 099	**Indira Securities Private Limted** 5, Indira House, 3rd Floor, Topiwala Lane, Lamington Road Mumbai, Maharashtra – 400007
Nirmal Bang Securities Private Limited 38B, Khatau Bldg, 2nd floor, Alkesh Dinesh Mody Marg, Fort, Mumbai -400023	

COMPANY SECRETARY & COMPLIANCE OFFICER

Pratixa Seju
Sakar Healthcare Limited
Plot No. 10/13, Nr. M N. Desai Petrol Pump,
Sarkhej Bavla Highway,
Changodar, Ahmedabad – 382 213,
Gujarat, India
Tel.: +91 2717 250477
Fax: +91 2717 251 621
E-mail: cs@sakarhealthcare.com
Website: www.sakarhealthcare.com

CHIEF FINANCIAL OFFICER

Johnny George
Sakar Healthcare Limited
Plot No. 10/13, Nr. M N. Desai Petrol Pump,
Sarkhej Bavla Highway,
Changodar, Ahmedabad – 382 213,
Gujarat, India
Tel.: +91 2717 250477
Fax: +91 2717 251 621
E-mail: cfo@sakarhealthcare.com
Website: www.sakarhealthcare.com

Investors can contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non receipt of letters of Allotment, non credit of Allotted Equity Shares in the respective beneficiary account, non receipt of refund orders and non receipt of funds by electronic mode.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, address of the Bidder, number of Equity Shares applied for

and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder.

Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

STATUTORY AUDITORS

M/s. A. L. Thakkar & Co., Chartered Accountants
"Karishma Chambers, 1st Floor,
Behind Old High Court, Navrangpura,
Ahmedabad – 380 009, Gujarat
Tel No: +91 79 2658 7802;
Fax No: +91 79 2658 5132;
Email: aseemthakkar@gmail.com;
Contact Person: Sanjeev Shah
Firm Registration No.: 120116W;
Membership No.: 42264.

PEER REVIEWED AUDITOR

M/s Shah & Dalal, Chartered Accountants
B/101, Second Floor, Neelam Apartment,
Hirabaug Crossing, Ambawadi,
Ahmedabad – 380 015, Gujarat
Tel No : +91 79 2656 8896;
Fax No: +91 79 2656 0177;
Email: shah.dalal@gmail.com
Contact Person: Malay Dalal
Firm Registration No.: 109432W
Membership No.: 036776

M/s Shah & Dalal, Chartered Accountants holds a peer reviewed certificate dated February 09, 2015 issued by the Institute of Chartered Accountants of India.

BOOK RUNNING LEAD MANAGER

Pantomath Capital Advisors Private limited
406-408, Keshva Premises, Behind Family Court
Bandra Kurla Complex, Bandra (East)
Mumbai - 400051
Tel. No.: +91 22 6194 6725
Fax No.: +91 22 2659 8690
Email: ipo@pantomathgroup.com
Website: www.pantomathgroup.com
Contact Person – Saahil Kinkhabwala
SEBI Registration No.: INM000012110

REGISTRAR TO THE ISSUE

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West), Mumbai – 400 078,
Maharashtra , India
Tel: +91 226171 5400
Fax: +91 222596 0329
Email: shl.ipo@linkintime.co.in
Investor Grievance Email: shl.ipo@linkintime.co.in
Website: www.linkintime.co.in

Contact Person: Vishwas Attavar
SEBI Registration Number: INR000004058
CIN: U67190MH1999PTC118368

LEGAL ADVISOR TO THE ISSUE

M V Kini, Law Firm
Kini House, 216/263, 1st Floor, Near Citi Bank,
D.N. Road, Fort, Mumbai -400 001, Maharashtra, India
Tel No: +91 22 22612527/28/29
Fax No: +91 22 22612530
E-mail: vidisha@mvkini.com
Contact Person: Vidisha Krishan
Website: www.mvkini.com

BANKER(S) TO THE COMPANY

State Bank of India
Law Garden Branch, Zodiac Avenue, Opp Municipal Commissoner's Bungalow,
Law, Ahmedabad – 380 006
Tel: 022 26420278/79
Fax: 022 26420277
Email: sbi.60438@sbi.co.in
Contact Person: [●]
Website: www.sbi.co.in

PUBLIC ISSUE BANK/ BANKERS TO THE ISSUE AND REFUND BANKER

ICICI Bank Limited
Capital Market Division,
1st Floor, 122, Mistry Bhavan,
Dinshaw Vachha Road, Backbay Reclamation
Churchgate, Mumbai – 400 020
Tel: 022 22859922
Fax: 022 22611138
Email: rishav.bagrecha@icicibank.com
Contact Person: Rishav Bagrecha
Website: www.icicibank.com
SEBI Registration Number: INBI00000004

DESIGNATED INTERMEDIARIES

Self Certified Syndicate Banks

The list of SCSBs for the ASBA process is provided on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or such other websites as updated from time to time. For details of the Designated Branches which shall collect Bid cum Application Forms from the ASBA Bidders and Designated Intermediaries, please refer to the above-mentioned link.

Registered Brokers

Bidders can submit Bid cum Application Forms in the Issue using the stock brokers network of the Stock Exchanges, i.e., through the 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 National Stock Exchange of India, as updated from time to time. In relation to ASBA Bids submitted to the Registered Brokers at the Broker Centres, the list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Registrar to Issue

The list of the RTAs eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of Stock Exchange at National Stock Exchange India Limited, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at National Stock Exchange India Limited, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

CREDIT RATING

This being an issue of Equity Shares, credit rating is not required.

IPO GRADING

Since the Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of appointing an IPO Grading agency.

APPRAISAL AND MONITORING AGENCY

As per regulation 16(1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 50,000 Lakhs. Since the Issue size is only of Rs. [•] lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

EXPERT OPINION

Except the report of the Peer Reviewed Auditor on statement of tax benefits included in this Red Herring Prospectus, our Company has not obtained any other expert opinion.

BOOK BUILDING PROCESS

Book building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the BRLM in accordance with the Book Building Process, and advertised in all editions of a widely circulated English Newspaper, all editions of a widely circulated Hindi Newspaper and a widely circulated Gujarati Newspaper, Gujarati being the regional language of Gujarat, where our registered office is situated at least five working days prior to the Bid/ Issue Opening date, after the Bid/Issue Closing Date. The Issue Price shall be determined by our Company, in consultation with the BRLM in accordance with the Book Building Process. Principal parties involved in the Book Building Process are:

- Our Company;
- The Book Running Lead Manager in this case being Pantomath Capital Advisors Private Limited,, the Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with NSE and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the BRLM;
- The Registrar to the Issue and;
- The Designated Intermediaries

All Bidders (excluding Anchor Investors) can participate in the Issue only through the ASBA process. Anchor Investors are not permitted to participate through the ASBA process. In accordance with the SEBI Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise or withdraw their Bids prior to the Bid/Issue Closing Date. Further,

Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. Except Allocation to Retail Individual Investors and the Anchor Investors, Allocation in the Issue will be on a proportionate basis We will comply with the SEBI ICDR Regulations and any other ancillary directions issued by SEBI for this Issue. In this regard, we have appointed Pantomath Capital Advisors Private Limited and Indian Overseas Bank as the Book Running Lead Manager, respectively to manage the Issue and procure subscriptions to the Issue.

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.
For further details on the method and procedure for Bidding, please see section entitled *"Issue Procedure"* on page 277 of this Red Herring Prospectus

Illustration of Book Building and Price Discovery Process (Investors should note that this example is solely for illustrative purposes and is not specific to the Issue) Bidders can bid at any price within the price band. For instance, assume a price band of Rs.[●] to Rs.[●] per equity share, issue size of [●] 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 centers during the bidding period. The illustrative book below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Price (Rs.)	Cumulative Bid 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., Rs. [●] in the above example. The issuer, in consultation with the Book Running Lead Manager will finalize the issue price at or below such cut-off price, i.e., at or below Rs.[●]. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

1. Check eligibility for making a Bid (see section titled *"Issue Procedure"* on page 277 of this Red Herring Prospectus);
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
4. 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 Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depositary Participant's verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims
5. Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form;

BID / ISSUE PROGRAMME

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Bid/Issue Opening Date	September 30, 2016
Bid/Issue Closing Date	October 05, 2016

Finalization of Basis of Allotment with the Designated Stock Exchange	On or before October 13, 2016
Initiation of Refunds	On or before October 14, 2016
Credit of Equity Shares to Demat Accounts of Allottees	On or before October 14, 2016
Commencement of trading of the Equity Shares on the Stock Exchange	On or before October 17, 2016

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst 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 Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bids and any revision to the same shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) during the Offer Period for acceptance of bids. While a standard cut off time of 4.00 PM for uploading of bids received from non retail applicants i.e OIB, HNIs and employees (if any). A standard cut off time of 5.00 PM for uploading of bids received from only retail applicants, which may be extended upto such time as deemed fit by Stock Exchanges after taking into account the total number of applicants received up to the closure of timings and reported by BRLMs to the exchange within half an hour of such closure. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days. Neither our Company nor the Book Running Lead Managers is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise

Non Retail Bidders shall not be allowed to either withdraw or lower the size of their Bid at any stage. Non Retail Bidders may revise their Bids upwards (in terms of quantity of Equity Shares) during the Issue Period. Such upward revision must be made using the Revision Form.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data.

UNDERWRITER

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated September 20, 2016 and pursuant to the terms of the underwriting agreement; obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being offered through this Issue

Name and Address of the Underwriters	Indicative Number of Equity shares to be Underwritten	Amount Underwritten (Rupees In Lakhs)	% of the Total Offer Size Underwritten
Pantomath Capital Advisors Private Limited 406-408, Keshva Premises, Behind Family Court, Bandra Kurla Complex, Bandra East, Mumbai – 400051, Maharashtra, India **Tel:** +91 22 61946725 **Fax:** +91 22 26598690 **Email:** ipo@pantomathgroup.com	29,61,000*	[●]	100%

Contact Person: Madhu Lunawat **SEBI Registration Number**: INM000012110			
Total	**29,61,000**	**[●]**	**100%**

**Includes 2,30,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 106 V(4) of the SEBI (ICDR) Regulations, 2009, as amended.*

In the opinion of the Board of Directors of the Company, the resources of the above mentioned underwriter are sufficient to enable them to discharge their respective underwriting obligations in full.

DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Lead Manager have entered into a agreement dated September 20, 2016, with the following Market Maker, duly registered with NSE Emerge to fulfill the obligations of Market Making.

BCB Brokerage Private Limited
1207-A, PJ Towers, Dalal Street, Mumbai 400001, Maharashtra, India
Tel: 022 22720000
Fax: 022 22722451
Email: marketmaker@bcbbrokerage.com
Website: www.bcbbrokerage.com
Contact Person: Uttam Bagri
SEBI Registration Number: INB231161135

BCB Brokerage Private Limited , registered with SME segment of NSE will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, as amended from time to time and the circulars issued by NSE and SEBI in this matter from time to time.

Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s) .
2. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to Issue their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of [•]/- the minimum lot size is [•] Equity Shares thus minimum depth of the quote shall be Rs. [•]/- until the same, would be revised by NSE.
3. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size (including the [•] Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
4. There shall be no exemption / threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.

6. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, BCB Brokerage Private Limited is acting as the sole Market Maker.
7. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of NSE and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
8. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
9. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).
   In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.
10. NSE SME Exchange will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
11. NSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
    The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.
12. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Market Makers during market making process has been made applicable, based on the issue size and as follows:

Issue size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)
Up to Rs. 20 Crore	25%	24%
Rs. 20 crore to Rs. 50 crore	20%	19%
Rs. 50 to Rs. 80 crore	15%	14%
Above Rs. 80 crore	12%	11%

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI / NSE from time to time.

CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Red Herring Prospectus and after giving effect to the Issue is set forth below:

Amount (Rs. in Lakhs except share data)

No.	Particulars	Aggregate nominal value	Aggregate value at Issue Price
A.	**Authorised Share Capital**		
	1,20,00,000 Equity Shares of face value of Rs. 10/- each	1200.00	-
B.	**Issued, Subscribed and Paid-Up Share Capital before the Issue**		
	80,00,000 Equity Shares of face value of Rs. 10/- each	800.00	-
C.	**Present Issue in terms of this Red Herring Prospectus**		
	Issue of 29,61,000 Equity Shares of face value Rs.10 each at a price of Rs. [●]/- per Equity Share	296.10	[●]
	Consisting :		
	Reservation for Market Maker – 1,53,000 Equity Shares of face value of Rs. 10/- each reserved as Market Maker portion at a price of Rs. [●]/- per Equity Share	15.30	[●]
	Net Issue to the Public – 28,08,000 Equity Shares of face value of Rs. 10 each at a price of Rs. [●]/- per Equity Share	280.80	[●]
	Of the Net Issue to the Public		
	Allocation to Retail Individual Investors- 14,04,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. [●]/- per Equity Share shall be available for allocation for Investors applying for a value of upto Rs. 2 lakhs	140.40	[●]
	Allocation to Other than Retail Individual Investors- 14,04,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. [●]/- per Equity Share shall be available for allocation for Investors applying for a value above Rs. 2 lakhs	140.40	[●]
D.	**Issued, Subscribed and Paid-Up Share Capital after the Issue**		
	1,09,61,000 Equity Shares of face value of Rs. 10 each	1,096.10	-
E.	**Securities Premium Account**		
	Before the Issue		160.00
	After the Issue		[●]

The Issue has been authorised by the Board of Directors vide a resolution passed at its meeting held on September 01, 2016 and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting / Annual General Meeting held on September 06, 2016

The Company has only one class of share capital i.e. Equity Shares of face value of Rs. 10/- each only. All Equity Shares issued are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Red Herring Prospectus.

NOTES TO THE CAPITAL STRUCTURE

1. Details of changes in authorised Share Capital:

Since the Incorporation of our Company, the authorised share capital of our Company has been altered in the manner set forth below:

Particulars of Change		Date of Shareholders' Meeting	AGM / EGM
From	To		
Rs. 1,00,000 consisting of 10,000 Equity shares of Rs. 10 each.		On Incorporation	--
Rs. 1,00,000 consisting of 10,000 Equity Shares of Rs. 10 each.	Rs. 70,00,000 consisting of 7,00,000 Equity Shares of Rs. 10 each.	August 03, 2004	EGM
Rs. 70,00,000 consisting of 7,00,000 Equity Shares of Rs. 10 each.	Rs. 2,00,00,000 consisting of 20,00,000 Equity shares of Rs. 10 each.	March 23, 2006	EGM
Rs. 2,00,00,000 consisting of 20,00,000 Equity shares of Rs. 10 each.	Rs. 3,00,00,000 consisting of 30,00,000 Equity shares of Rs. 10 each.	March 17, 2007	EGM
Rs. 3,00,00,000 consisting of 30,00,000 Equity shares of Rs. 10 each.	Rs. 5,00,00,000 consisting of 50,00,000 Equity shares of Rs. 10 each.	March 15, 2008	EGM
Rs. 5,00,00,000 consisting of 50,00,000 Equity shares of Rs. 10 each.	Rs. 7,00,00,000 consisting of 70,00,000 Equity shares of Rs. 10 each.	March 28, 2009	EGM
Rs. 7,00,00,000 consisting of 70,00,000 Equity shares of Rs. 10 each.	Rs. 8,00,00,000 consisting of 80,00,000 Equity shares of Rs. 10 each.	August 18, 2009	EGM
Rs. 8,00,00,000 consisting of 80,00,000 Equity shares of Rs. 10 each.	Rs. 12,00,00,000 consisting of 12,00,000 Equity shares of Rs. 10 each.	February 25, 2015	EGM

2. History of Equity Share Capital of our Company

Date of Allotment / Fully Paid-up	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Paid -up Capital (Rs.)
March 26, 2004 (On Incorporation)	10,000	10	10	Cash	Subscription to MOA[(i)]	10,000	1,00,000
August 06, 2004	6,90,000	10	10	Cash	Further Issue[(ii)]	7,00,000	70,00,000
March 19, 2007	23,00,000	10	10	Cash	Further Issue[(iii)]	30,00,000	300,00,000
March 28, 2008	20,00,000	10	10	Cash	Further Issue[(iv)]	50,00,000	500,00,000
March 30, 2009	20,00,000	10	10	Cash	Further Issue[(v)]	70,00,000	700,00,000
October 3, 2009	4,00,000	10	10	Cash	Further Issue[(vi)]	74,00,000	740,00,000
March 30,	6,00,000	10	10	Cash	Further Issue[(vii)]	8,00,00,000	80,00,00,00

2011							

(i) Initial Subscribers to Memorandum of Association subscribed 10,000 Equity Shares of face value of Rs. 10/- each fully paid at par as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1.	Sanjay Shah	5,000
2.	Rita Shah	5,000
	Total	**10,000**

(ii) Further allotment of 6,90,000 Equity Shares of face value of Rs. 10/- each fully paid at par as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Sanjay S. Shah	1,77,500
2.	Rita S. Shah	1,77,500
3.	Sanjay V. Karkare	3,35,000
	Total	**6,90,000**

(iii) Further allotment of 23,00,000 Equity Shares of face value of Rs. 10/- each fully paid at par as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Sanjay Shah	2,80,000
2.	Rita Shah	2,80,000
3.	Surendra Shah	10,00,000
4.	Sheelaben Shah	5,00,000
5.	Dhanraj Jain	1,20,000
6.	Arun .Jain	40,000
7.	Ravindrakumar Jain	40,000
8.	Narendrakumar. Jain	40,000
	Total	**23,00,000**

(iv) Further allotment of 20,00,000 Equity Shares of face value of Rs. 10/- each fully paid at par as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Sanjay Shah	10,00,000
2.	Rita Shah	10,00,000
	Total	**20,00,000**

(v) Further allotment of 20,00,000 Equity Shares of face value of Rs. 10/- each fully paid at par as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Sanjay Shah	17,50,000
2.	Rita Shah	2,50,000
	Total	**20,00,000**

(vi) Further allotment of 4,00,000 Equity Shares of face value of Rs. 10/- each fully paid-up at a premium of Rs. 40/- per equity share as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	M/s. Airmax (Gujarat) Private Limited	4,00,000
	Total	**4,00,000**

(vii) Further allotment of 6,00,000 Equity Shares of face value of Rs. 10/- each fully paid-up at a par as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Surendra Shah	4,00,000
2.	Sheelaben Shah	2,00,000
	Total	**6,00,000**

3. We have not issued any Equity Shares for consideration other than cash.

4. We have not issued any Equity Shares out of revaluation reserves or in terms of any scheme approved under Sections 391-394 of the Companies Act.

5. We have not issued any shares at price below issue price within last one year from the date of this Red Herring Prospectus.

3. Build-up of Promoters' shareholding, Promoters' contribution and lock-in

(i) Build-up of Promoters' shareholdings

As on the date of this Red Herring Prospectus, our Promoters Sanjay Shah, Rita Shah and Aarsh Shah hold 74,20,000 Equity Shares of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

a. Sanjay Shah

Date of Allotment and made fully paid up / Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post – issue shareholding %	Lock-in Period	Source of funds	Pledge
March 26, 2004	5,000	10	10	Subscription to MOA	0.06%	0.05%	3 years	Income/ Savings	Nil
August 06,2004	1,77,500	10	10	Further Issue	2.22%	1.62%		Income/ Savings	Nil
April 07, 2006	1,75,000	10	10	Purchase	2.19%	1.60%		Income/ Savings	Nil
March 19, 2007	2,80,000	10	10	Further Issue	3.50%	2.55%		Income/ Savings	Nil
March 28, 2008	10,00,000	10	10	Further Issue	12.50%	9.12%		Income/ Savings	Nil
March 30, 2009	7,35,000	10	10	Further Issue	9.19%	6.71%		Income/ Savings	Nil
	10,15,000				12.69%	9.26%	1 year	Income/ Savings	Nil
October 15, 2014	10,80,000	10	10	Purchase	13.50%	9.85%	1 year	Income/ Savings	Nil
April 13, 2016	14,00,000	10	--	Transfer through Gift	17.50%	12.77%	1 year	Gift from Surendra Shah	Nil
Total	**58,67,500**				**73.34%**	**53.53%**			

**Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment.*

b. Rita Shah

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	Lock-in Period	Source of funds	Pledge
March 26, 2004	5,000	10	10	Subscription to MOA	0.06%	0.05%	1 year	Income/ Savings	Nil
August 06, 2004	1,77,500	10	10	Further Issue	2.22%	1.62%	1 year	Income/ Savings	Nil
April 07, 2006	1,60,000	10	10	Purchase	2.00%	1.46%	1 year	Income/ Savings	Nil
March 19, 2007	2,80,000	10	10	Further Issue	3.50%	2.55%	1 year	Income/ Savings	Nil
March 28, 2008	10,00,000	10	10	Further Issue	12.50%	9.12%	1 year	Income/ Savings	Nil
March 30, 2009	2,50,000	10	10	Further Issue	3.13%	2.28%	1 year	Income/ Savings	Nil
October 20, 2013	(12,60,000)	10	10	Transfer/ Sale	(15.75)%	(11.50)%	NA	Income/ Savings	Nil
October 15, 2014	2,40,000	10	10	Purchase	3.00%	2.19%	1 year	Income/ Savings	Nil
February 26, 2015	(6,07,500)	10	10	Transfer/ Sale	(7.59)%	(5.54)%	NA	Income/ Savings	Nil
Total	**2,45,000**				**3.06%**	**2.24%**			

**Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment.*

c. Aarsh Shah

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	Lock-in Period	Source of funds	Pledge
October 06, 2013	7,00,000	10	10	Purchase	8.75%	6.39%	1 year	Income/ Savings	Nil
December 26, 2015	6,07,500	10	10	Purchase	7.59%	5.54%	1 year	Income/ Savings	Nil
Total	**13,07,500**				**16.34%**	**11.93%**			

**Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment.*

(ii) Details of Promoters' Contribution locked in for three years:

Pursuant to Regulation 32 and 36 of SEBI (ICDR) Regulations, an aggregate of 20% of the post-Issue capital held by our Promoter shall be considered as Promoters' Contribution ("Promoters Contribution") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoters have given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoters' Contribution constituting 21.65 % of the post issue Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, for a period of three years from the date of allotment in the Issue.

Date of Allotment and made fully paid up / Transfer	No. of Shares Allotted / Transferred	Face Value	Issue Price	Nature of Allotment	% of Post Issue shareholding	Lock in Period
Sanjay Shah						
March 26, 2004	5,000	10	10	Subscription to MOA	0.05%	3 years
August 06,2004	1,77,500	10	10	Further Issue	1.62%	3 years
April 07, 2006	1,75,000	10	10	Purchase	1.60%	3 years
March 19, 2007	2,80,000	10	10	Further Issue	2.55%	3 years
March 28, 2008	10,00,000	10	10	Further Issue	9.12%	3 years
March 30, 2009	7,35,000	10	10	Further Issue	6.71%	3 years
Total	**23,72,500**				**21.65**%	

The minimum Promoters' contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI (ICDR) Regulations. The Equity Shares that are being locked in are not ineligible for computation of Promoters' contribution in terms of Regulation 33 of the SEBI ICDR Regulations. In connection, we confirm the following:

a. The Equity Shares offered for minimum 20% Promoters' contribution have not been acquired in the three years preceding the date of this Red Herring Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;

b. The minimum Promoters' contribution does not include Equity Shares acquired during the one year preceding the date of this Red Herring Prospectus at a price lower than the Issue Price;

c. Our Company has not been formed by the conversion of a partnership firm into a Company and thus, no Equity Shares have been issued to our Promoters upon conversion of a partnership firm;

d. The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are not subject to any pledge;

e. All the Equity Shares of our Company held by the Promoter are in the process of being dematerialized; and

f. The Equity Shares offered for Promoters' contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoters' contribution subject to lock-in.

(iii) Details of Equity Shares locked-in for one year

Other than the above Equity Shares that are locked in for three years, the entire pre-Issue Equity Share capital of our Company shall be locked-in for a period of one year from the date of allotment in the Public Issue.

(iv) Other requirements in respect of lock-in

Pursuant to Regulation 39 of the SEBI ICDR 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 (ICDR) 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 Issue.

Further, pursuant to Regulation 40 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI (ICDR) 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 (ICDR) Regulations has ended, subject to compliance with the Takeover Code, as applicable

We further confirm that our Promoter's Contribution of 21.65% of the post Issue Equity Share capital does not include any contribution from Alternative Investment Fund.

4. Our Shareholding Pattern

The table below represents the shareholding pattern of our Company as per Regulation 31 of the SEBI Listing Regulations 2015:-

Summary of Shareholding Pattern as on date of this Red Herring Prospectus:

Category	Category of Shareholder	Nos. 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) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares**		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized 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)	
I	II	III	IV	V	VI	VII = IV + V+ VI	VIII	IX		X	XI	XII		XIII		XIV
A	Promoter and Promoter Group	4	75,20,000	-	-	75,20,000	94.00%	75,20,000	94.00%	-	94.00%	-	-	-	-	75,20,000
B	Public	5	4,80,000	-	-	4,80,000	6.00%	4,80,000	6.00%	-	6.00%	-	-	-	-	4,80,000
C	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**9**	**80,00,000**	**-**	**-**	**80,00,000**	**100.00 %**	**80,00,000**	**100.00%**		**100.00%**	**-**	**-**	**-**	**-**	**80,00,000**

**As on the date of this Red Herring Prospectus 1 Equity Shares holds 1 vote.*
***All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to Listing of Shares on NSE SME Platform.*

I. Shareholding Pattern of Promoter and Promoter Group

Sr. No.	Category of Shareholder	PAN	Nos. 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) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized 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)	
	I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX		X	XI	XII		XIII		XIV
(1)	Indian																
(a)	Individuals/Hindu undivided Family																
	Sanjay Shah		1	58,67,500	-	-	58,67,500	73.34%	58,67,500	73.34%	-	73.84%	-	-	-	-	58,67,500
	Rita Shah		1	2,45,000	-	-	2,45,000	3.06%	2,45,000	3.06%	-	3.06%	-	-	-	-	2,45,000
	Aarsh Shah		1	13,07,500	-	-	13,07,500	16.34%	13,07,500	16.34%	-	16.34%	-	-	-	-	13,07,500
	Ayushi Shah		1	1,00,000	-	-	1,00,000	1.25%	1,00,000	1.25%	-	1.25%	-	-	-	-	1,00,000
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any Other (specify)	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-
	Sub-total (A) (1)		4	75,20,000	-	-	75,20,000	94.00%	75,20,000	94.00%	-	94.00%	-	-	-	-	75,20,000
(2)	Foreign	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Individuals (Non-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sr. No.	Category of Shareholder	PAN	Nos. 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) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized 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)	
	Resident Individuals/ Foreign Individuals)																
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-total (A) (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		**4**	**75,20,000**	**-**	**-**	**75,20,000**	**94.00%**	**75,20,000**	**94.00 %**	**-**	**94.00%**	**-**	**-**	**-**	**-**	**75,20,000**

II. Shareholding pattern of the Public shareholder

Sr. No.	Category of Shareholder	PAN	Nos. 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) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares*		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized 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)	
	I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX		X	XI	XII		XIII		XIV
(1)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any Other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-total (B) (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Central Government/State Government(s)/ President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B) (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3)	**Non-Institutions**																

(a)	Body corporate		1	4,00,000	-	-	4,00,000	5.00%	4,00,000	5.00%	-	5.00%	-	-	-	-	4,00,000
(b)	Individuals																	
(c)	i. Individual shareholders holding nominal share capital up to of Rs. 2 lakhs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	-	4	80,000	-	-	80,000	1.00%	80,000	1.00%		1.00%					80,000
(d)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Any Other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (B)(3)	-	5	4,80,000	-	-	4,80,000	6.00%	4,80,000	6.00%	-	6.00	-	-	-	-	4,80,000
	Total Shareholding of Public (B)= (B)(1)+(B)(2)+ (B)(3)	-	**5**	**4,80,000**	-	-	**4,80,000**	**6.00%**	**4,80,000**	**6.00%**	-	**6.00**	-	-	-	-	**4,80,000**

III. Shareholding pattern of the Non Promoter- Non Public shareholder

Sr. No	Category of Shareholder	PAN	Nos. of shareholders	No. of fully paid up equi	No. of Partly paid-up equi	No. of shares underlying Dep	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as	Number of Voting Rights held in each class of securities		No. of Shares Underlying Outstanding convertible	Shareholding , as a % assuming full conversion of convertible securities (	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerializ
									No of Voting Rights	Total			No.	As a % of	No.	As a % of	

				ty shares held	ty shares held	ository Receipts		per SCRR, 1957) As a % of (A+B+C2)	Class eg: X	Class eg: Y	Total	as a % of (A+B+C)	securities (including Warrants)	as a percentage of diluted share capital) As a % of (A+B+C2)	(a)	total Shares held (b)	(a)		
	I	II	III	IV	V	VI	VII = IV+V +VI	VIII	IX				X	XI = VII + X	XII		XIII		XIV
(1)	Custodian / DR Holder	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Name of DR Holder (if applicable)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub total (C)(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub total (C)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Non-Promoter Non-Public Shareholding (C) = (C)(1)+(C)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note: PAN of the Shareholders will be provided by our Company prior to Listing of Equity Share on the Stock Exchange.

Our Company will file the shareholding pattern or our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of NSE before commencement of trading of such Equity Shares.

5. **Following are the details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Promoter and Promoter Group":**

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
	Promoter				
1.	Sanjay Shah	58,67,500	73.34%	58,67,500	53.53%
2.	Rita Shah	2,45,000	3.06%	2,45,000	2.24%
3.	Aarsh Shah	13,07,500	16.34%	13,07,500	11.93%
	Sub Total (A)	**74,20,000**	**92.75%**	**74,20,000**	**67.69%**
	Promoter Group				
4.	Ayushi Shah	1,00,000	1.25%	1,00,000	0.91%
	Sub Total (B)	**1,00,000**	**1.25%**	**1,00,000**	**0.91%**
	Total (A+B)	**75,20,000**	**94.00%**	**75,20,000**	**68.61%**

6. **The average cost of acquisition of or subscription to Equity Shares by our Promoter is set forth in the table below:**

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Sanjay Shah	58,67,500	7.61
Rita Shah	2,45,000	10.00
Aarsh Shah	13,07,500	10.00

7. **Except as stated below, no persons belonging to the category "Public" holds securities (including shares, warrants, convertible securities) of more than 1% of the total number of shares.**

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
1.	Airmax (Gujarat) Private Ltd	4,00,000	5.00%	4,00,000	3.65%
	Total	**4,00,000**	**5.00%**	**4,00,000**	**3.65%**

8. **The lists of top 10 shareholders of our Company and the number of Equity Shares held by them as on the date of filing, ten days before the date of filing and two years before the date of filing of this Red Herring Prospectus are set forth below:**

a. Particulars of the top ten shareholders as on the date of filing this Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Pre Issue Paid-Up Capital
1.	Sanjay Shah	58,67,500	73.34%
2.	Aarsh Shah	13,07,500	16.34%
3.	Airmax (Gujarat) Private Ltd	4,00,000	5.00%
4.	Rita Shah	2,45,000	3.06%
5.	Ayushi Shah	1,00,000	1.25%
6.	Paresh Shukhadiya	20,000	0.25%
7.	Johnny George	20,000	0.25%
8.	Suketu Vaywala	20,000	0.25%
9.	Pushpa Ponmany	20,000	0.25%
Total		**80,00,000**	**100.00%**

**As on the date of this Red Herring Prospectus, our Company has only 9 shareholders.*

b. Particulars of top ten shareholders ten days prior to the date of filing this Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the then existing Total Paid-Up Capital
1.	Sanjay Shah	58,67,500	73.34%
2.	Aarsh Shah	13,07,500	16.34%
3.	Airmax (Gujarat) Private Ltd	4,00,000	5.00%
4.	Rita Shah	2,45,000	3.06%
5.	Ayushi Shah	1,00,000	1.25%
6.	Paresh Shukhadiya	20,000	0.25%
7.	Johnny George	20,000	0.25%
8.	Suketu Vaywala	20,000	0.25%
9.	Pushpa Ponmany	20,000	0.25%
Total		**80,00,000**	**100.00%**

As on the date of this Red Herring Prospectus, our Company has only 9 shareholders.

c. Particulars of the top ten shareholders two years prior to the date of filing of this Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the then existing Total Paid-Up Capital
1.	Sanjay Shah	33,87,500	42.34%
2.	Surendra Shah	14,00,000	17.50%
3.	Aarsh Shah	7,00,000	8.75%
4.	Rita Shah	6,12,500	7.66%
5.	Airmax (Gujarat) Private Ltd	4,00,000	5.00%
6.	Suketu Vaywala	2,00,000	2.50%
7.	Pushpa Ponmany	2,00,000	2.50%
8.	Paresh Shukhadiya	1,60,000	2.00%
9.	Dhanraj Jain	1,20,000	1.50%
10.	Kishore Shukla	1,00,000	1.25%
	Kaushik Mistry	1,00,000	1.25%

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the then existing Total Paid-Up Capital
	Nilam Patel	1,00,000	1.25%
	Ashish Mistry	1,00,000	1.25%
	Amit Raiyani	1,00,000	1.25%
	Johnny George	1,00,000	1.25%
	Ayushi Shah	1,00,000	1.25%
Total		**78,80,000**	**98.50%**

9. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.

10. Neither the Lead Manager viz. Pantomath Capital Advisors Private Limited, nor their associates hold any Equity Shares of our Company as on the date of the Red Herring Prospectus.

11. Under-subscription in the net issue, if any, in any 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 Lead Manager and the EMERGE Platform of NSE.

12. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.

13. The unsubscribed portion, if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.

14. Except as disclosed below No shares/purchased/sold by the Promoter and Promoter Group, directors and their immediate relatives during last six months

Date of Transfer	Name of the Transferor/ Transferee	No. of Shares Allotted / Transferred	Face Value	Transfer Price	Nature of Allotment
April 13, 2016	Sanjay Shah- Transferee Surendra Shah- Transferor	14,00,000	10	-	Transfer through Gift

15. There are no Equity Shares against which depository receipts have been issued.

16. Other than the Equity Shares, there are is no other class of securities issued by our Company.

17. There will 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 the date of the Red Herring Prospectus until the Equity Shares have been listed. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split / consolidation of the denomination of Equity Shares. However our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company

18. None of the persons / entities comprising our Promoter Group, or our Directors or 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 any such entity / individual or otherwise during the period of six months immediately preceding the date of filing of this Red Herring Prospectus.

19. Our Company, our Promoters, our Directors and the Lead Manager have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through the Issue from any person.

20. There are no safety net arrangements for this public issue.

21. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest multiple of minimum allotment lot, while finalising the Basis of Allotment. Consequently, the actual Allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-Issue paid up capital after the Issue would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoters and subject to lock- in shall be suitably increased; so as to ensure that a minimum of 20% of the post Issue paid-up capital is locked in.

22. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43(4) of SEBI (ICDR) Regulations, as amended from time to time.

23. As on date of this Red Herring Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.

24. All the Equity Shares of our Company are fully paid up as on the date of the Red Herring Prospectus. Further, since the entire issue price in respect of the Issue is payable on application, all the successful applicants will be issued fully paid-up equity shares and thus all shares offered through this issue shall be fully paid-up.

25. As per RBI regulations, OCBs are not allowed to participate in this Issue.

26. Our Company has not raised any bridge loans against the proceeds of the Issue.

27. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.

28. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.

29. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.

30. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.

31. We have 9 shareholders as on the date of filing of the Red Herring Prospectus.

32. Our Promoters and the members of our Promoter Group will not participate in this Issue.

33. Our Company has not made any public issue since its incorporation.

34. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.

35. For the details of transactions by our Company with our Promoter Group, Group Companies during the financial years ended March 31, 2016, 2015, 2014 and 2013 please refer to paragraph titled 'Details of Related Parties Transactions as Restated' in the chapter titled "Financial Statements as Restated" on page 201 of the Red Herring Prospectus.

36. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter "Our Management" beginning on page 175 of the Red Herring Prospectus.

OBJECTS OF THE ISSUE

Our Company proposes to utilize the funds which are being raised towards funding the following objects:

DETAILS OF THE PROCEEDS

Particulars	Amount (in Rs. lakhs)
Gross Proceeds from the Fresh Issue	[●]
(Less) Issue related expenses	[●]
Net Proceeds	[●]

As on the date of Red Herring Prospectus, our Company has incurred Rs.[●] lakhs towards Issue expenses.

The object to the Issue is as mentioned below

1. To set up a new Lyophilization facility to manufacture Lyophilized Products (Injectable) in existing unit at Changodar, Ahmedabad, Gujarat;
2. To obtain registration of European Union GMP;
3. To register new products;
4. To meet working capital requirements; and.
5. To meet general corporate purpose;

Also, we believe that the listing of Equity Shares will enhance our Company's corporate image, brand name and create a public market for our Equity Shares in India.

The main objects clause of our Memorandum of Association enables us to undertake the activities proposed in terms of the objects of the Issue, for which the funds are being raised through this Issue. Our existing activities are within the ambit of the objects clause of the Memorandum of Association of our Company.

FUND REQUIREMENTS

Sr. No.	Object	Amount to be financed from Net Proceeds of the Issue (Rs. in lakhs)	Percentage of Gross Proceeds	Percentage of Net Proceeds
1.	Setting up new manufacturing line			
	(a) Imported Plant and Machinery	557.40	[●]	[●]
	(b) Indigenous Plant And Machinery	383.56	[●]	[●]
	(c) Furniture / Fixture and Lab Equipments	110.54	[●]	[●]
	(d) Building Alteration	31.21	[●]	[●]
2.	EUGMP Registration	[●]	[●]	[●]
3.	New Product Registration	[●]	[●]	[●]
4.	Working Capital	[●]	[●]	[●]
5.	General Corporate Purpose	[●]	[●]	[●]
	Total Cost of the Project	[●]	[●]	[●]

Our Company shall determine the fund requirement on finalisation of Issue Price and thus interse allocation of funds shall vary and will be updated in the Prospectus.

The requirements of the objects detailed above are intended to be funded from the Proceeds of the Issue and Internal Accruals. Accordingly, we confirm that there is no requirement for us to

make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue.

The fund requirement and deployment is based on internal management estimates and our Company's current business plan and is subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy. These estimates have not been appraised by any bank or financial institution.

In view of the dynamic nature of the sector and specifically that of our business, we may have to revise our expenditure and fund requirements as a result of variations in cost estimates, exchange rate fluctuations and external factors which may not be within the control of our management. This may entail rescheduling and revising the planned expenditures and fund requirements and increasing or decreasing expenditures for a particular purpose at the discretion of our management, within the objects.

While we intend to utilise the Issue Proceeds in the manner provided above, in the event of a surplus, we will use such surplus towards general corporate purposes including meeting future growth requirements. In case of variations in the actual utilisation of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. In the event of any shortfall in the Net Proceeds, we may explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders

We may have to revise our expenditure and fund requirements as a result of variations in cost estimates on account of variety of factors such as incremental pre-operative expenses and external factors which may not be within the control of our management and may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management in accordance with applicable laws. In case of any surplus after utilization of the Net Proceeds for the stated objects, we may use such surplus towards future growth opportunities, if required and general corporate purposes.

In case of variations in the actual utilisation of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be done through internal accruals through cash flows from our operations and debt. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the objects of the Issue, we may explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls.

Details of Objects

1. **Setting up of New Lyophilisation facility to manufacture lyophilized products (Injectable) at the existing unit at Changodar**

   We propose to utilize Rs. 557.40 Lakhs out of the Net Proceeds of the Issue, for the establishment of a Lyophilisation facility manufacture Lyophilized Products (Injectable) in existing unit at Changodar, Ahmedabad, Gujarat, having an aggregate capacity of 22,000 vials per day, which will enhance our existing product portfolio. Lyophilisation process ensures longer shelf life and extended stability of the products. Our Company believes that this manufacturing facility will help to increase our revenue and profit margins significantly, since the products manufactured through this process of freeze drying are used in treating critical care illness.

   Freeze drying (Lyophilisation) is a process of removing moisture from the frozen state of products using process of sublimation to enhance stability and shelf life. Vials are filled with liquid solution and loaded into the Lyophiliser using automatic loading system under class – 100

environment which is protected by open RABS. Lyophiliser is loaded shelf by shelf. Once loading is completed, automatic freeze drying cycle starts. After completion of freeze drying, half stoppered vials are fully stoppered and they are unloaded from the machine, using automatic unloading system connected to cap sealing machine protected by open RABS.

Lyophiliser is equipped with automatic CIP (Clean in Place) and SIP (Sterlisation in Place) arrangement. Integrity of this machine is checked using automatic cycle.

The breakdown of proposed investment for the setting up of the Lyophilisation Process is as follows:

Sr. No.	Particulars	Rs. In Lakhs
(a)	**Plant & Machinery**	
I	Imported Machinery	557.40
II	Indigenous Machinery	383.56
(b)	Furniture / Fixture and Lab Equipments	110.54
(c)	Building Alterations	31.21
	Total	**1082.71**

(a) Plant & Machinery

Sr. No.	Plant & Machinery	Rs. In Lakhs
I	Imported Machinery	557.40
II	Indigenous Machinery	383.56
	Total	**940.96**

I. Imported Machinery

We propose to utilize Rs. 557.40 lakhs out of the Net Proceeds of the Issue for expenditure on Machinery required for the establishment of a Lyophilisation process manufacturing line having aggregate capacity of 22,000 vials per day.

The details of imported machinery to be established for Lyophilisation process are as under:

Sr. No.	Equipment Name	Supplier	Cost Rs. In Lakhs	Quotation Date
1	Tofflon Lyophilizer	Shanghai Tofflon Science and Technology Company Limited	557.40	April 25, 2016

***(Source:** Quotations received by our Company)*
* Conversion rate: USD 1 = Rs. 66.00

II. Indigenous Machinery

We propose to utilize Rs. 383.56 Lakhs out of the Net Proceeds of the Issue for expenditure on Machinery required for the establishment of a Lyophilisation process manufacturing line.

The details of Indigenous Machinery to be established for the proposed facility are as under:

Sr. No.	Supplier	Cost (Rs. In Lakhs)	Quotation No.	Quotation Date
1	Labtronik	4.63	1001/QTN/HP/16	24/02/2016
2	NPM Machinery P Ltd	20.21	NPM/PI/464/2015-16	24/02/2016

Sr. No.	Supplier	Cost (Rs. In Lakhs)	Quotation No.	Quotation Date
3	Bectochem Loedige Process Technology P Ltd	1.70	SQ-5608	07/03/2016
4	Revel filters And Devices	4.96	051/15-16/REV-01	09/03/2016
5	Dhrom Packers	2.57	DP/QT/15-16/101	11/03/2016
6	Labtronik	15.16	1132/QTN/HP/16	14/03/2016
7	Ambica Pharma Machines Pvt Ltd	4.28	APMPL/315/MC/16-17/003R1	04/04/2016
8	Ajni Industries P Ltd	22.51	AIPL/1299-R2/16-17	07/04/2016
9	Ajni Industries P Ltd	3.63	AIPL/056/16-17	16/04/2016
10	Aimil Ltd	37.46	A.VAD/QUOT/PMS/013-R1	18/04/2015
11	Pratik Engineers	10.24	2	25/04/2016
12	Aircare Leminar	0.59	ACL/0516/SHPL/005/DPB	05/05/2016
13	Ethos HVAC Systems Ltd	8.09	Q/ 16-17 / 92-R4	06/05/2016
14	Mitali Engineers	2.97	ME/L/16-17/0605	06/05/2016
15	Aircare Leminar	1.05	ACL/0516/SHPL/013/HLAF	13/05/2016
16	Uma Electricals	1.79	ET-K-1602	16/05/2016
17	Ajni Industries P Ltd	2.15	AIPL/176/16-17	17/05/2016
18	Ajni Industries P Ltd	0.54	AIPL/196/16-17	21/05/2016
19	Aircare Leminar	1.05	003	28/05/2016
20	Aircare Leminar	6.36	ACL/0516/SHPL/024/MOLAF	28/05/2016
21	Brevetti C.E.A. S.p.A.	6.09	182	07/06/2016
22	Ethos HVAC Systems Ltd	1.05	310	11/06/2016
23	Hilab Equipments P Ltd	0.87	HEPL/16-17/30013	14/06/2016
24	I Tek Instruments	1.05	ITEK/F16-13	14/06/2016
25	S A Engineering	4.02	SAE/01/47	18/06/2016
26	Durva Machinery	0.59	D/144/16-17	21/06/2016
27	S A Engineering	0.67	SAE/01/57	23/06/2016
28	Aakash Pharmatech	8.00	APT/2016-17	23/06/2015
29	Citizen Industries Ltd	8.16	CIL/4188/G-J/16-17/R0	28/06/2016
30	V & P Industires	0.46	07-07-2016	07/07/2016
31	Ethos HVAC Systems Ltd	17.83	15-16/159 R1	08/07/2016
32	Rotocare Engineers	0.77	055	12/07/2016
33	ACG Pampac Machines Pvt Ltd	7.87	619017931	12/07/2016
34	IDMC Limited	2.90	1516/IDMC/FLOW/SAKAR/125	13/07/2016
35	Machinfabrik Ind P Ltd	14.34	PIP/3011/40/2016-217	20/07/2016
36	Waters India P Ltd	0.75	21241516	22/07/2016
37	Daikin Airconditioning India P Ltd	21.23	MKTG/SC/AT/98/13-14/R00	03/08/2016
38	Innova Systems (India) Pvt Ltd	0.66	INNOVA/QUOTE /15-16/280101	03/08/2016
39	Innova Systems (India) Pvt Ltd	0.35	INNOVA/QUOTE /16-	08/08/2016

Sr. No.	Supplier	Cost (Rs. In Lakhs)	Quotation No.	Quotation Date
			17/080101	
40	Sheth Insulations Pvt Ltd	0.47	16-17-01	09/08/2016
41	Sheth Insulations Pvt Ltd	0.50	Per Inv-16-17 96	09/08/2016
42	Innova Systems (India) Pvt Ltd	3.89	INNOVA/QUOTE /16-17/080601	09/08/2016
43	Cubic Computing Pvt Ltd	1.34	CCPL/INV/16-17/PI/1630	11/08/2016
44	Spectra Technovision (India) P Ltd	0.57	STIPL/PII192/SHPL/16-17	11/08/2016
45	Innova Systems (India) Pvt Ltd	0.08	INNOVA/QUOTE/16-17/110701	11/08/2016
46	Innova Systems (India) Pvt Ltd	0.31	INNOVA/QUOTE /15-16/280101	11/08/2016
47	Uni-Mech Industries	12.52	UMI/SAKAR/16-17	11/08/2016
48	V M Services	0.50	VMS/QUO/16-17/46	12/08/2016
49	Uma Electricals	0.52	ET-K-1605	13/08/2016
50	Innova Systems (India) Pvt Ltd	1.54	INNOVA/QUOTE /15-16/080101	15/08/2016
51	Envee Pharma Machinery	1.56	EPM/15-16	17/08/2016
52	ACG Pampac Machines Pvt Ltd	61.72	614009648	17/08/2016
53	Innova Systems (India) Pvt Ltd	0.29	INNOVA/QUOTE /16-17/200801	20/08/2016
54	Uma Electricals	5.74	ET-K-1610	21/08/2016
55	Innova Systems (India) Pvt Ltd	0.36	INNOVA/QUOTE /16-17/220801	22/08/2016
56	Carrier Airconditioning & Refrigeration Ltd	3.80	673383	24/08/2016
57	Om Engineers	0.55	AM/16-17/QUTE/12	24/08/2016
58	Unitech Water Technologies	2.13	PI/69	04/01/2016
59	Innova Systems (India) Pvt Ltd	0.35	INNOVA/QUOTE /15-16/280101	11/07/2016
60	N. K. Industries	35.23	NKIM/2016/163	29/08/2016
	Total	**383.56**		

(Source:** Quotations received by our Company and Management Estimates**)

(b) Furniture / Fixtures and Lab Equipments

We plan to utilize Rs. 110.54 lakhs out of the Net Proceeds of the Issue for expenditure on Furniture / Fixtures and Lab Equipment for the proposed manufacturing facility.

The details of Furniture / Fixtures and Lab Equipments to be purchased for the proposed facility are as under:

Sr. No.	Supplier	Cost (Rs. In Lakhs)	Quotation No.	Quotation Date
1	Ajni Industries P Ltd	4.43	AIPL/1304-R4/15-16	08/03/2016
2	Electrolab (India) P Ltd	5.82	Q/EIPL/MM/03/15-16/0323-1	24/03/2016
3	Satish D Pankhania	25.08	26032016	26/03/2016

Sr. No.	Supplier	Cost (Rs. In Lakhs)	Quotation No.	Quotation Date
4	Shimadzu (ASIA PACIFIC) PTE LTD	34.40	S/72379/2016-17	13/04/2016
5	Shimadzu (ASIA PACIFIC) PTE LTD	14.89	SHIA:1617:AHM:028(R1)	15/06/2016
6	Charles River Laboratories India P Ltd	0.61	CRLI/G/LAL/308/2016-17	18/06/2016
7	Thermolab Scientific Equipments	24.42	WB-QT/2016-17/063/2	15/07/2016
8	Alfa Trading Co.	0.88	1	24/08/2016
	Total	**110.54**		

(Source: Quotations received by our Company)

(c) Building Alterations

We propose to alter the certain civil construction in plant 4 of our existing manufacturing unit in order to accommodate the proposed lyophilisation process manufacturing line. We plant to utilize Rs. 31.21 lakhs towards expenditure of building alterations.

The details of civil work pertaining to building alterations are as under:

Sr. No.	Name of Area	Quantity	Rate (Rs.)	Per	Cost (Rs. In Lakhs)
1	Breaking Floor	8.80	275.00	Square Meter	0.02
2	Excavation - Pile Cap	4.90	550.00	Centimeter	0.03
3	Excavation - Manual	21.90	800.00	Lot	0.18
4	Bulb – Pile Foundation	12.00	250.00	Number	0.03
5	Reinforcement Work	2560.00	100.00	Kilogram	2.56
6	PCC – Foundation	8.25	800.00	Square Meter	0.07
7	Concrete – Pile Cap	154.97	6,500.00	Centimeter	10.07
8	Steel Column	5,415.90	145.00	Lot	7.85
9	Stone Fitting	192.88	1,500.00	Square Meter	2.90
10	Rebarring Work	272.00	200.00	Number	0.54
11	Others				6.96
	Total				**31.21**

We have obtained a letter from Kalpesh Motibhai Solanki, Contractor, dated 17-04-2016 certifying the estimated cost of Rs. 24.25 lakhs to be incurred on Building Alterations and quotation from Ajni Industries Pvt. Ltd. for purchase and installation of G. I. Modular powder coated flush Doors and partitions, accessories for Rs. 6.96 lakhs for the said facility vide their letter dated 29-07-2016.

2. New Product Registration:

We propose to utilize Rs. [●] lakhs towards New Product Registration expenses.

The details of expenses pertaining to new product registrations are as under:

Particulars	Cost Per Unit (USD)	Total Cost (USD)	Cost (Rs. In Lakhs)*
Product Registrations	[●]	[●]	[●]
Consultancy Fees			[●]

Total			[●]

*Conversion rate: USD 1 = Rs 66.00

3. EU GMP Certification

We propose to utilize Rs. [●] lakhs towards European Union (EU) Good Manufacturing Practices (GMP) Certification.

The details of expenses pertaining to EU GMP certification are as under:

Particulars	Total Cost (EUR)	Cost (Rs. in Lakhs)*
EU GMP Audit Fees Including Business Class Air Fare Lodging / Boarding	[●]	[●]
EU GMP Consultant Charges	[●]	[●]
EU GMP Pre Audit Gap Analysis Including Travelling Expense and Accommodation	[●]	[●]
Other Incidental Expenses	[●]	[●]
Total	[●]	[●]

*Conversion rate: EUR 1 = Rs. 75.00

4. Working Capital

We finance our working capital requirements from bank funding, internal accruals and other sources.

As on March 31, 2015 and March 31, 2016 our Company's net working capital consisted of Rs. 944.52 lakhs and Rs. 528.94 lakhs respectively, based on the restated standalone financial statements.

The total working capital requirement for the year 2016-17 is estimated to be Rs. 1639 lakhs. The incremental working capital requirement for the year ending March 31, 2017 will be Rs. 1110.06 lakhs, which will be met through the Net Proceeds to the extent of Rs. [●], and the balance portion will be met through internal accruals.

Basis of estimation of working capital requirement

The details of our Company's working capital requirement are based on the audited and restated standalone financial statements as at March 31, 2015 and March 31, 2016 are as set out in the table below:

Amount (*Rs. In Lakhs*)

Particulars	As on March 31	
	2015	2016
Current Assets		
Inventories		
• Raw material & Packing Material	353.54	333.60
• Finished Goods & Work in process	320.27	311.11
Trade Receivables	200.53	297.66
Cash and Bank Balance	93.32	22.93
Short term loans & advances & other current assets	403.26	392.44
Total (A)	**1370.92**	**1357.74**
Current Liabilities		
Trade Payables	96.09	397.56
Other Current Liabilities & short term provisions	330.31	431.24
Total (B)	**426.40**	**828.80**
Net Working Capital (A)-(B)	**944.52**	**528.94**
Incremental Working Capital	327.81	-415.58

Particulars	As on March 31	
	2015	2016
Sources of Working Capital		
Incremental borrowings	0	0
Internal Accrual	944.52	528.94
Total Source	**944.52**	**528.94**

The details of our Company's expected working capital requirement as at March 31, 2017 is set out in the table below:

Amount (*Rs. In Lakhs*)

Particulars	2016-17 (Estimated)
Current Assets	
Inventories	
Raw material	491.00
Finished Goods & Work in process	350.00
Trade Receivables	595.00
Cash and Bank Balance	275.00
Short term loans & advances and other current assets	665.00
Total (A)	**2376.00**
Current Liabilities	
Trade Payables	275.00
Other Current Liabilities & Provisions	462.00
Total (B)	**737.00**
Net Working Capital (A)-(B)	**1639.00**
Incremental Working Capital*	**1110.06**
Sources Of Incremental Working Capital	
Issue Proceeds	[●]
Bank Borrowing	[●]
Internal Accruals	[●]
Total Source	**1110.06**

***Incremental Working capital is calculated by subtracting the Current year net working capital from previous year net working capital.*

Assumption for working capital requirements

Assumptions for Holding Levels*

(In months)

Particulars	Holding Level as of March 31, 2015	Holding Level as of March 31, 2016	Holding Level as of March 31, 2017 (Estimated)
Current Assets			
Inventories*			
Raw material	2.67	1.88	1.61
Finished Goods & Work in process	1.32	1.24	0.95
Trade Receivables	0.73	0.73	0.91
Current Liabilities			
Trade Payables	1.56	1.37	1.38

Our Company proposes to utilise Rs. 302.06 Lakhs of Net Proceeds towards working capital requirements for meeting our business requirements.

The incremental working capital requirements are based on historical Company data and estimation of the future requirements in Financial Year 2016-17 considering the growth in activities of our Company. Our Company has assumed raw material inventory of 1.61 months, and finished goods & work in process inventory of 0.95 month for the Financial Year 2016-2017.

Our Debtors cycle was of about 0.73 and 0.73 months in Financial Year 2014-15 and 2015-2016. We have assumed that our debtor's cycle will be 0.91 months for Financial Year 2016-17. Similarly we have estimated trade payables days as 1.38 months for Financial Year 2016-17.

Justification for "Holding Period" levels

The justifications for the holding levels mentioned in the table above are provided below

Assets- Current Assets	
Inventories	We have assumed Inventory period of 1.61 months against 1.88 months of raw material and 0.95 months against 1.24 months of Finished goods & work in process as we work on just in time stocking approach order and does not maintain much of inventory.
Trade receivables	We have assumed debtors period of 0.91 months slightly higher than previous year. The increase will be due to tapping of new markets
Liabilities - Current Liabilities	
Trade Payables	The trade payables is much in line with last year and as per Industry trends and company policy

5. General Corporate Purpose

Our Company proposes to deploy the balance Net Proceeds aggregating Rs [●] lakhs towards general corporate purposes, subject to such utilisation not exceeding 25% of the Net Proceeds, in compliance with the SEBI Regulations, including but not limited to strategic initiatives, partnerships and joint ventures, meeting exigencies which our Company may face in the ordinary course of business, meeting expenses incurred in the ordinary course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act. Our Company's management, in accordance with the policies of the Board, will have flexibility in utilising any surplus amounts.

Issue Related Expenses

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. 50.00 Lakhs.

Expenses	Expenses (Rs. in Lakhs)*	Expenses (% of total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Bankers etc.	[●]	[●]	[●]
Regulatory fees	[●]	[●]	[●]
Marketing and Other Expenses	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

****As on date of the Red Herring Prospectus, our Company has incurred Rs. [●] Lakhs towards Issue Expenses out of internal accruals.***

***SCSBs will be entitled to a processing fee of Rs. [●]/- per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them.*

Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non Institutional Applicants, would be [●]% on the Allotment Amount# or Rs [●]/- whichever is less on the Applications wherein shares are allotted.

The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.

#Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.

Schedule of Implementation & Deployment of Funds:

Our Company proposes to deploy the Net Proceeds in the aforesaid objects in the financial year 2016-17.

Particulars	Total Funds Required	Amount Incurred Till August 31, 2016	Balance Deployment During FY 2017
Setting up new manufacturing line	1,082.71	53.83	1,028.88
New Product Registration	[●]	[●]	[●]
EUGMP Registration	[●]	[●]	[●]
Working Capital	[●]	[●]	[●]
General Corporate Purpose /	[●]	[●]	[●]
Total	[●]	[●]	[●]

Further our Peer Reviewed Auditors, M/s. Shah & Dalal, Chartered Accountants vide their certificate dated September 06, 2016 have confirmed that as on the date of Red Herring Prospectus above mentioned funds have been deployed towards issue expenses out of internal accruals:

Further our Management, in accordance with the policies setup by the Board, will have flexibility in deploying the Net Proceeds of the Issue.

BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance our capital needs until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance additional capital needs will be repaid from the Net Proceeds of the Issue.

APPRAISAL BY APPRAISING AGENCY

The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

INTERIM USE OF FUNDS

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilisation of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

MONITORING UTILIZATION OF FUNDS

As the size of the Issue does not exceed Rs. 50,000 lakhs, in terms of Regulation 16 of the SEBI Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

Pursuant to Regulation 32 of the Listing Regulations, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Issue Proceeds. Until such time as any part of the Issue Proceeds remains unutilized, our Company will disclose the utilization of the Issue Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Issue Proceeds have been utilized so far, and details of amounts out of the Issue Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Issue Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Issue Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year. Further, in accordance with Regulation 32(1) (a) of the Listing Regulations our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Issue Proceeds for the objects stated in this Red Herring Prospectus.

VARIATION IN OBJECTS

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

OTHER CONFIRMATIONS

No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, the Directors, Associates, Key Management Personnel or Group Companies except in the normal course of business and in compliance with the applicable law.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the Book Running Lead Manager, on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is Rs. 10 each and the Issue Price is [•] times 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 *"Our Business"*, *"Risk Factors"* and *"Financial Statements"* on pages 140, 19 and 201, respectively, to have an informed view before making an investment decision

QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the price, are:

- Our manufacturing facilities
- Diversified product portfolio
- Internationally registered products
- Association with leading pharmaceutical companies
- Experienced promoters and senior management team

For further details, refer to heading *"Our Competitive Strengths"* under chapter titled *"Our Business"* beginning on page 140 of this Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated financial statements of the Company for Financial Year 2016, 2015, 2014 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis or computing the price, are as follows:

1. Basic and Diluted Earnings per Share (EPS) as per Accounting Standard 20

Year Ended	Basic & Diluted EPS (Rs.)	Weight
March, 2016	2.91	3
March 2015	2.30	2
March 2014	2.19	1
Weighted Average	**2.59**	

Note:

- The earnings per share has been computed by dividing net profit as restated, attributable to equity shareholders by restated weighted average number of equity shares outstanding during the period / year. Restated weighted average number of equity shares has been computed as per AS20. The face value of each Equity Share is Rs. 10/-

2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. [•] per Equity Share of Rs. 10 each fully paid up

Particulars	P/E at the lower end of Price band (no. of times)	P/E at the higher end of Price band (no. of times)
P/E ratio based on Basic & Diluted EPS for FY 2015-16	[•]	
P/E ratio based on Weighted Average Basic & Diluted EPS	[•]	
Industry		
Highest		40.36

Lowest	13.27
Average	19.21

**Industry Composite comprises of Lincoln Pharmaceuticals Limited, Bal Pharma Limited, Jenburkt Pharmaceuticals Limited, Makers Laboratories Limited, Coral Laboratories Limited and BDH Industries Limited*

3. Return on Net worth (RoNW)

Return on Net Worth ("RoNW") as per restated financial statements

Year Ended	RoNW (%)	Weight
March 31, 2016	13.57	3
March 31, 2015	12.39	2
March 31, 2014	13.49	1
Weighted average	**13.16**	

** Note: The RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year.*

4. Minimum Return on Total Net Worth post Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2016

To maintain pre-issue basic and diluted EPS

a. At the floor price – 10.78%

b. At the cap price – 9.98%

5. Net Asset Value (NAV)

NAV per Equity Share	Restated Standalone Financial Statements
Net Asset Value per Equity Share as of March 31, 2016	21.45
Net Asset Value per Equity Share after the Issue	[•]
Issue Price per equity share	[•]

*Net Asset Value per Equity Share has been calculated as net worth divided by number of equity shares at the end of the year.

6. Comparison with other listed companies

Rs in Lakhs

Companies	CMP	EPS	PE Ratio	RONW %	NAV (Per Share)	Face Value	Total Income (In Crores)
Sakar Healthcare Limited	[●]	2.91	[●]	13.57%	21.45	10.00	41.43
Peer Group*							
Lincoln Pharmaceuticals Limited	241.00	13.33	18.07	16.59%	80.39	10.00	317.10
Bal Pharma Limited	88.10	2.18	40.36	5.14%	42.48	10.00	197.66
Jenburkt Pharmaceuticals Limited	359.50	23.19	15.50	26.82%	86.44	10.00	93.59
Makers Laboratories Limited	65.00	4.70	13.84	8.77%	53.57	10.00	61.41
Coral Laboratories Limited	460.60	34.70	13.27	17.66%	196.44	10.00	77.02
BDH Industries Limited	79.80	5.61	14.22	12.47%	45.00	10.00	46.13

**Source: www.bseindia.com*

***CMP for our Company is considered as Issue Price*

Notes:

- Considering the nature of business of the Company the peer are not strictly comparable. However same have been included for broad comparison.
- The figures for Sakar Healthcare Limited are based on the restated results for the year ended March 31, 2016
- The figures for the peer group are based on standalone audited results for the respective year ended March 31, 2016
- Current Market Price (CMP) is the closing prices of respective scripts as on September 07, 2016.
- The Issue Price of Rs. [•]/- per Equity Share has been determined by the Company in consultation with the LM and is justified based on the above accounting ratios.

For further details see section titled *"Risk Factors"* beginning on page 19 and the financials of the Company including profitability and return ratios, as set out in the section titled *"Financial Statements"* beginning on page 201 of this Red Herring Prospectus for a more informed view.

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

To,
The Board of Directors

Sakar Healthcare Limited

We hereby confirm that the enclosed annexure, prepared by Sakar Healthcare Limited ('the Company') states the possible tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 ('Act'). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

The amendments in Finance Act 2016 have been incorporated to the extent relevant in the enclosed annexure.

The benefits discussed in the enclosed Annexure are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence 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 own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

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

- the Company or its shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits, where applicable have been/would be met.

For Shah & Dalal
Firm Registration No: 109432W
Chartered Accountants

MALAY J DALAL
Partner

Membership No. 036776
Place: Ahmedabad
Date: September 06, 2016

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO COMPANY AND ITS SHAREHOLDERS

Outlined below are the possible benefits available to Sakar Healthcare Limited ('the Company'), which is proposed to be listed in a recognized stock exchange in India and its shareholders under the current direct tax laws in India based on the current provisions of the Act.

A. Benefits to the Company under the Act

1. General tax benefits

For the purpose of computation of income tax payable by the Company for each financial year, the following deductions are generally available to the Company:

a. Business income

i. The Company is entitled to claim depreciation on specified tangible and intangible assets owned by it and used for the purpose of its business as per provisions of Section 32 of the Act.

ii. General deduction

According to section 37 of the Act, the Company is entitled to claim the deduction of any expenditure incurred during a particular financial year which is

- not in the nature of capital expenditure or personal expenses;
- not in the nature of expenditure described in sections 30 to section 36 of the Act, and incurred wholly and exclusively for business purposes.

iii. However, the following expenditure are not allowed as deduction under section 37 as they are not considered as expenditure incurred for business purposes:

iv. Any expenditure incurred for any purpose which is an offence or which is prohibited by law; or

v. Any expenditure incurred on the activities relating to corporate social responsibility referred to in section 135 of the Companies Act, 2013.

vi. As per the provisions of Section 35DD of the Act, any expenditure incurred by an Indian Company, wholly and exclusively for the purpose of amalgamation/ demerger of an undertaking shall be allowed as deduction to the extent of one-fifth of such expenditure for each of five successive previous years beginning with the previous year in which the amalgamation/ demerger takes place.

vii. The Company can set off its business losses for an assessment year against any other source of income. The company is also entitled to carry forward and set off the balance business losses, not set off during an assessment year against the business profits of 8 subsequent assessment years.

viii. The company is entitled to carry forward and set off the unabsorbed depreciation, if any, for an assessment year, in the subsequent years as per the provisions of Section 32 of the Act.

b. Income from other sources

i. As per provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax.

ii. As per the provisions of Section 115BBD of the Act, dividend received by Indian company from a specified foreign company (in which it has shareholding of 26% or more) would be taxable at the concessional rate of 15% on gross basis (plus surcharge and education

cess).

iii. As per provisions of Section 10(35) of the Act, income received in respect of units of a mutual fund specified under Section 10(23D) of the Act (other than income arising from transfer of such units) is exempt from tax.

iv. Income from other streams such as income in the nature of interest will be taxable at the rate of 30 % plus applicable surcharge and cess.

v. The Company will be entitled to claim a deduction of any expenditure incurred (not in the nature of capital expenditure) wholly and exclusively for the purpose of earning income taxable under the section 56 of the Act subject to the provisions of section 57 and section 58 of the Act.

c. Capital gains

i. *Computation of capital gains in the hands of the Company*

- Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. The Act prescribes a threshold for the period of holding of long term and short term capital assets which is based on the various factors such as nature of assets, etc. Any gains arising from the transfer of short term capital assets will be Short Term Capital Gains ('STCG') and gains arising from the transfer of a long term capital asset will be a Long Term Capital Gain ('LTCG').

- The classification of short term capital assets and long term capital assets and the applicable rates of tax on capital gains is tabulated below:

Sl No	Capital asset	Threshold holding period for	Rate (Excluding surcharge and	Remarks
1	Unlisted shares	More than 36 months	*LTCG* -20% (with indexation benefits) *STCG* – 30%	In a case where the transfer of such unlisted shares was subject to STT, the LTCG arising will be exempt from tax as per the provisions of section 10(38) of the Act. However, the same will be subject to Minimum Alternate Tax ('MAT') (refer Para 2) as a part of the overall book profits of the Company, if the Company is taxed according to the provisions of section 115JB.

2	Listed shares	More than 12 months	**Where STT is paid** *LTCG* – exempt as per section 10(38) *STCG*– Concessional rate of 15%as persection 111A. **Where STT is not paid** *LTCG* - 20 % (with indexation benefits) Or 10 % (without indexation benefits) *Whichever is less* *STCG* – 30%	Long term capital gains exempted under the provisions of section 10(38) of the Act will be subject to MAT (refer Para 2) as a part of the overall book profits of the Company, if the Company is taxed according to the provisions of section 115JB.
3	Units of Unit Trust of India	More than 12 months	*LTCG*-20% (with indexation benefits) *STCG* – 30%	
4	Units of a mutual fund specified Under section 10(23D) of the Act	More than 36 months	**Where STT is paid** *LTCG* – exempt under section 10(38) of the Act. *STCG* - concessional Rate of 15% as per section 111A. **Where STT is not paid** *LTCG* - 20% (with indexation benefits) *STCG* – 30%	Long term capital gains exempted under the provisions of section 10(38) of the Act will be subject to MAT (refer Para 2) as a part of the overall book profits of the Company, if the Company is taxed according to the provisions of section 115JB.

5	Any other Capital asset	More than 36 months	*LTCG* - 20% (with indexation benefits) *STCG* – 30%	

- As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.
- Capital assets held for a period not more than above mentioned threshold will be short term capital assets.
- As per Section 50 of the Act, where a capital asset is forming part of a block of assets in respect of which depreciation has been allowed under the Act, capital gains shall be computed in the following manner:
- where full value of consideration on account of transfer of any asset forming part of block of asset, as reduced by expenditure incurred wholly or exclusively in connection with transfer, exceeds the written down value of block of assets and actual cost of assets acquired during the year, such excess shall be deemed to be short term capital gains and taxed accordingly.
- where any block of assets ceases to exist, for the reason that all the assets in that block are transferred, the difference between the consideration arising on result of transfer and the written down value of block of assets and the actual cost of assets acquired during the year, shall be deemed to be short term capital gains/ (losses) and taxed accordingly.
- The tax rates mentioned above stands increased by surcharge, payable at the rate of 7% where the taxable income of a domestic company exceeds INR

1,00,00,000 but not INR 10,00,00,000. The surcharge shall be payable at the rate of 12% where the taxable income of a domestic company exceeds INR

10,00,00,000. Further, education cess and secondary and higher education cess on the total tax payable (inclusive of surcharge) at the rate of 2% and 1% respectively is payable by all categories of taxpayers.

- As per provisions of Section 70 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent 8 assessment years.
- As per provisions of Section 70 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent 8 assessment years.

2. Exemption of capital gains from income – tax

- Under Section 54EC of the Act, capital gain arising from transfer of long term capital assets [other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by –:
- National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988; and
- Rural Electrification Corporation Limited (REC), a company formed and registered under the Companies Act, 1956.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate

basis. The maximum investment in the specified long term asset cannot exceed in total, INR 50,00,000 per assessee during the financial year in which the asset is transferred and in the subsequent financial year.

- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted shall be taxable as capital gains in the year of transfer / conversion.
- The characterization of the gain / losses, arising from sale / transfer of shares / units as business income or capital gains would depend on the nature of holding and various other factors.

MAT credit

i. In case the tax computed according to the normal provisions of the Act, in any assessment year, is less than the 18.5% of the book profits computed in accordance with the provisions of section 115JB, the Company will be liable to pay taxes in accordance with the provisions of section 115JB.

ii. However, as per provisions of Section 115JAA of the Act, the excess of such tax on book profits over the normal tax (computed in accordance with the other provisions of the Act) is available as MAT credit. The amount of MAT credit will be carried forward and set off against the normal tax payable in subsequent 10 financial years following the financial year in which the MAT credit arises.

3. Securities Transaction Tax ('STT')

i. As per provisions of Section 36(1)(xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

ii. STT will be paid at the rate of 0.1% on the purchase/ sale of equity shares of a company and at the rate of 0.001% in case of sale of units of an equity oriented mutual fund through a recognised stock exchange and where such transaction is settled by the actual delivery or transfer of such shares/ units.

4. Dividend distributed by the Company

i. As per the provisions of Section 115-O of the Act, domestic companies distributing profits as dividends to its shareholders would have to pay tax on such distributable profits at the rate of 15 percent (plus a surcharge of 12% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon).

ii. For the purpose of determining the tax on distributed profits payable in accordance with the section 115-O, any amount which is declared, distributed or paid by any domestic company out of current or accumulated profit on or after 1 April 2003, shall be increased to such amount as would, after reduction of the tax on such increased amount at the rate of 15%, be equal to the net distributed profits.

iii. Therefore, the amount of distributable income and the dividends which are actually received by the shareholders of the domestic company need to be grossed up for the purpose of computing the additional tax.

iv. Further the amount of dividend declared, distributed or paid by the domestic shall be reduced by the following amount:

- The amount of dividend received from its subsidiary where the subsidiary is also a domestic company and has paid DDT on such dividen

- The amount of dividend received from its subsidiary which is a foreign company and tax is payable by the domestic company under section 115BBD of the Act on such dividends received.

5. Other Provisions

i. As per provisions of Section 80G of the Act, the Company is entitled to claim deduction of a specified amount in respect of eligible donations, subject to the fulfilment of certain conditions.

ii. As per provisions of Section 80GGB of the Act, the Company is entitled to claim deduction amounting to 100% of any sum contributed, other than by way of cash, to any political party or an electoral trust.

iii. As per the provisions of section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

B. Benefits to the Resident members / resident shareholders of the Company under the Act

1. Dividends exempt under section 10(34) of the Act

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the resident members / shareholders from a Domestic Company is exempt from tax as the company would have paid dividend distribution tax on such dividends distributed.

2. Capital gains

i. *Computation of capital gains*

a. Income from sale of listed equity shares held as an investment is subject to be taxed under the head capital gains and the tax implications with respect to transfer of such shares have been discussed below. However, in a case where such listed shares are held as stock in trade, the gains may be taxable as business income/ speculative income and the below discussions would not be relevant.

b. Listed equity shares being capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. The Act prescribes a threshold of 12 months in case of listed equity shares for the purposes of such categorization.. Any gains arising from the transfer of listed equity shares being short term capital assets will be Short Term Capital Gains ('STCG') and gains arising from the transfer of listed shares being long term capital asset will be a Long Term Capital Gains ('LTCG').

c. The classification of listed equity shares as short term capital assets and long term capital assets and the applicable rates for computing the taxes on capital gains on transfer of such shares have been tabulated below:

Sl No	Capital asset	holding period for LTCG	Rate (Excluding surcharge and cess)	Remarks
1	Listed Shares	More than 12 months	Where STT is paid *LTCG* – exempt as per section 10(38) *STCG*– concessional rate of 15% as per section 111A. Where STT is not paid *LTCG* - 20 % (with indexation benefits) Or 10 % (without indexation benefits) *Whichever is less* *STCG* – Normal rates applicable to the shareholder	In a case where the transfer of such listed shares was subject to STT, the LTCG arising will be exempt from tax as per the provisions of section 10(38) of the Act. However, the same will be subject to MAT as a part of the overall book profits of the shareholder, if the shareholder is taxed according to the provisions of section 115JB.

d. Capital assets being listed equity shares held for not more than above mentioned threshold will be short term capital assets.

e. In case the total income of resident individuals and Hindu Undivided Family ('HUF') reduced by taxable LTCG under section 112 of the Act or STCG under section 111A of the Act, as the case maybe, is less than the basic exemption limit, then the LTCG under section 112 of the Act or STCG under section 111A of the Act will be utilized for the basic exemption to the extent available.

f. The tax rates mentioned above stands increased by surcharge, payable at the rate of 7% where the taxable income of a domestic company exceeds INR 1,00,00,000 but not INR 10,00,00,000. The surcharge shall be payable at the rate of 12% where the taxable income of a domestic company exceeds INR 10,00,00,000.

g. Surcharge shall be payable at the rate of 12 % in case of an individual, HUF where the total taxable income of a taxpayer exceeds INR 1,00,00,000

h. Further, education cess and secondary and higher education cess on the total tax payable (inclusive of surcharge) at the rate of 2% and 1% respectively is payable by all categories of taxpayers.

i. As per provisions of Section 70 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent 8 assessment years.

j. As per provisions of Section 70 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent 8 assessment years.

ii. *Exemption of capital gains arising from sale of a capital asset*

a. As per Section 54EC of the Act, capital gains arising from the transfer of a long term capital

asset are exempt from capital gains tax if such capital gains are invested within a period of 6 months after the date of such transfer in specified bonds issued by NHAI and REC.

b. Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed in total INR 50,00,000 per assessee during the financial year in which the assets are transferred and in the subsequent financial year.

c. Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted would be taxable as capital gains in the year of transfer / conversion of the specified bonds.

d. Further, there are additional benefits available to resident shareholders or Hindu Undivided Family ('HUF'). The provisions of Section 54F of the Act provides that LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a new residential house, or for construction of residential house within three years from the date of transfer and such exemption is subject to other conditions to the extent specified therein.

e. As per provisions of Section 56(2)(vii) of the Act, where an individual or HUF receives shares and securities without consideration or for a consideration which is less than the aggregate fair market value of the shares and securities by an amount exceeding fifty thousand rupees, the excess of fair market value of such shares and securities over the said consideration is chargeable to tax under the head 'income from other sources'. However, the said section is not applicable in case the shares and securities are received under certain instances specified under the Act.

3. Other Provisions

a. The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

b. As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

C. Benefits to the Non-resident shareholders of the Company under the Act

1. Dividends exempt under section 10(34) of the Act

As per provisions of Section 10(34), dividend (both interim and final), if any, received by non- resident shareholders from an Indian Company on which DDT is paid would be exempt from tax.

2. Capital gains

Income from sale of listed equity shares held as investment is subject to tax under the head capital gains and the tax implications with respect to transfer of such shares have been discussed below. However, in a case where such listed shares are held as stock in trade, the gains may be taxable as business income/ speculative income and the below discussions would not be relevant.

i. *Computation of capital gains for non-residents other than non-resident Indians and Foreign Institutional investors*

a. As mentioned earlier, capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. The Act prescribes a threshold for the period of holding of long term and short term capital assets which is based on the various factors such as nature of assets, etc. Any gains arising from the transfer of short term capital assets will be Short Term Capital Gains ('STCG') and gains arising from the transfer of a long term capital asset will be a Long Term Capital Gain ('LTCG').

b. The listed equity shares held for more than 12 months then such listed equity shares will be considered as long term capital asset. Listed equity shares held for a period up to 12 months will be short term capital assets.

c. In case where the transfer of long term listed equity shares is subject to STT the according to the provisions of section 10(38) of the Act, such LTCG will be exempt from taxation.
d. As per provisions of Section 111A of the Act, STCG arising on sale of listed equity shares are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA of the Act is allowed on such income.
e. STCG arising on sale of equity shares where such transaction is not chargeable to STT is taxable at the rate of 40% in case of a company and at normal slab rates in case of other assesses.
f. The tax rates mentioned above stands increased by surcharge, payable as follows:

- At the rate of 2 %, in case of a foreign company whose total taxable income exceeds INR 1,00,00,000 but does not exceed INR 10,00,00,000.
- At the rate of 5 %, in case of a foreign company whose total income exceeds INR 10,00,00,000.
- In case of other non-residents, whose total taxable income exceeds INR 1,00,00,000 surcharge shall be payable at the rate of 12% of the income tax payable.
- Further, secondary and higher education cess on the total tax (inclusive surcharge) at the rate of 2% and 1% respectively is payable by all categories of taxpayers.

g. As per provisions of Section 70 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent 8 assessment years.
h. As per provisions of Section 70 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent 8 assessment years.
i. Further as per Finance Act, 2015, capital gains arising to a foreign company from any transaction in securities would be subject to MAT as a part of the overall book profits if such capital gains are taxed at a rate more than 18.5%.

3. <u>Exemption of capital gains arising from income – tax</u>

i. As per Section 54EC of the Act, capital gains arising from the transfer of a long term capital asset are exempt from capital gains tax if such capital gains are invested within a period of 6 months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein:

ii. Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed in total, INR 50,00,000 per assessee during any financial year and the subsequent financial year.

iii. Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.

iv. The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

v. As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

vi. As per provisions of Section 56(2)(vii) of the Act, where an individual or HUF receives shares and securities without consideration or for a consideration which is less than the aggregate fair market value of the shares and securities by an amount exceeding fifty thousand rupees, the excess of fair market value of such shares and securities over the said consideration is chargeable to tax under the head 'income from other sources'. However, the said section is not applicable in case the shares and securities are received under certain instances specified under the IT Act.

4. Tax Treaty benefits

i. As per provisions of Section 90(2) of the Act, non-resident shareholders can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the non-resident shareholder, whichever is more beneficial. It needs to be noted that for the purpose of claiming tax benefits under a treaty a non-resident is required to hold a valid tax residency certificate.

ii. Additionally the non-resident tax payer is required to provide such other documents and information in the Form 10F as prescribed vide Notification 57 of 2013 dated 1 August 2013. However, it may be noted that Tax Authorities may ask for other information and supporting documents if required.

5. Withholding tax

Capital gains earned by the non-residents would be subject to withholding tax under section 195 of the Act at the specified rates

Taxation of capital gains in the hands of Non-resident Indians

a. Non-Resident India ('NRI') means a citizen of India or a person of Indian origin who is not a resident. A person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, were born in undivided India. The income-tax laws contain certain specific provisions for taxation of income earned by NRI.

b. Specified foreign exchange assets include shares of an Indian company which are acquired / purchased / subscribed by NRI in convertible foreign exchange.

c. According to the provisions of section 10(38) of the IT Act, any long term capital gains arising from the transfer of a listed equity shares which was subject to STT will be exempt from taxation.

d. As per provisions of Section 115E of the Act, LTCG arising to a NRI from transfer of specified foreign exchange assets as duly mentioned in Section 115C(f) of the Act is taxable at the rate of 10% . Such capital gains will be computed after giving effect to the foreign exchange fluctuations as per first proviso to section 48 of the Act. Further, the second proviso to section 48 of the Act relating to indexation benefits shall not apply to such capital gains arising from transfer of specified foreign exchange assets. Also, no deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act.

e. As per provisions of Section 115F of the Act, LTCG arising to a NRI on transfer of a foreign exchange asset is exempt from tax if the net consideration from such transfer is invested in the specified assets or savings certificates within six months from the date of such transfer, subject to the extent and conditions specified in that section. If only part of the net consideration is so reinvested, the exemption will be proportionately reduced. However the amount so exempted will be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition.

f. As per section 115G of the Act, where the total income of a NRI consists only of income / LTCG from such foreign exchange asset / specified asset and tax thereon has been deducted at source in accordance with the Act, the NRI is not required to file a return of income.

g. As per section 115H of the Act, where a person who is a NRI in any previous year, becomes assessable as a resident in India in respect of the total income of any subsequent year, he / she may furnish a declaration in writing to the assessing officer, along with his / her return of income under Section 139 of the Act for the assessment year in which he / she is first assessable as a resident, to the effect that the provisions of the Chapter XII-A relating to taxation of non-residents shall continue to apply to him / her in relation to investment income derived from the specified assets for that year and subsequent years until such assets are transferred or converted into money.

h. As per provisions of Section 115I of the Act, a NRI can opt not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing return of income for that assessment year under Section 139 of the Act, declaring therein that the provisions of the chapter shall not apply for that assessment year.

i. In such a situation, transfer of long term listed equity shares which is subject to STT would be covered under the provisions of section 10(38) of the Act and hence such LTCG will be exempt from taxation.

j. As per provisions of Section 111A of the Act, STCG arising on sale of listed equity shares are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA of the Act is allowed from such income.

k. STCG arising on sale of equity shares where such transaction is not chargeable to STT is taxable at the normal slab rates

l. Further as per the Finance Act 2015 a surcharge of 12% is applicable in case income of the NRI exceeds INR 1,00,00,000. Further, education cess and secondary and higher education cess on the total tax (inclusive surcharge) at the rate of 2% and 1% respectively is payable.

6. Tax treaty benefits

i. As per provisions of Section 90(2) of the Act, non-resident shareholders can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the non-resident shareholder, whichever is more beneficial. It needs to be noted that a non-resident is required to hold a valid tax residency certificate.

ii. Additionally the non-resident tax payer is required to provide such other documents and information in the Form 10F as prescribed vide Notification 57 of 2013 dated 1 August 2013. However, it may be noted that Tax Authorities may ask for other information and supporting documents if required.

7. Withholding tax

Capital gains earned by the NRIs would be subject to withholding tax under section 195 of the Act at the specified rates.

(i) *Taxation of capital gains in the hands of Foreign Institutional Investors ('FIIs') under the Act*

a. LTCG arising on sale equity shares of a company subjected to STT is exempt from tax as per provisions of Section 10(38) of the Act. It is pertinent to note that as per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

b. As per provisions of Section 115AD of the Act, income (other than income by way of dividends referred to Section 115-O) received in respect of securities (other than units referred to in Section 115AB) is taxable at the rate of 20% [plus surcharge (at the rate of 2 % where the total income exceed INR 1,00,00,000 but does not exceed INR 10,00,00,000 and 5 % where the total income exceed INR 10,00,00,000) and education cess and secondary & higher education cess at the rate of 2% and 1% respectively]. No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act

c. As per provisions of Section 115AD of the Act, capital gains arising from transfer of such securities is taxable as follows:

Nature of income	Rate of tax (%)
LTCG on sale of equity shares not subjected to STT	10
STCG on sale of equity shares subjected to STT	15
STCG on sale of equity shares not subjected to STT	30

d. Such capital gains will be computed without giving effect to the provisions of indexation or foreign exchange fluctuations.

e. The benefit of exemption under Section 54EC of the Act mentioned above in case of the Company is also available to FIIs.

f. Finance Act 2014 amended the section 2(14) of the Act, whereby the securities held by FII will be considered as a capital asset. Accordingly, any gain / losses, arising from sale / transfer of shares by FIIs will be considered as capital gains.

8. Tax Treaty benefits

As per provisions of Section 90(2) of the Act, FIIs can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the FII, whichever is more beneficial. It needs to be noted that a non-resident is required to hold a valid tax residency certificate. Additionally the FII is required to provide such other documents and information in the Form 10F as prescribed vide Notification 57 of 2013 dated 1 August 2013. However, it may be noted that Tax Authorities may ask for other information and supporting documents if required.

9. Withholding tax

Capital gains earned by the FIIs would be subject to withholding tax under section 195 of the Act at the specified rates.

D. Benefits available to Mutual Funds under the Act

As per provisions of Section 10(23D) of the Act, any income of mutual funds registered under the Securities and Exchange Board of India, Act, 1992 or Regulations made there under, mutual funds set up by public sector banks or public financial institutions and mutual funds authorized by the Reserve Bank of India, is exempt from income-tax, subject to the prescribed conditions.

Note:

- All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
- In respect of non-residents, the tax rates and the consequent taxation mentioned above will be further subject to any benefits available under the relevant DTAA, if

any, between India and the country in which the non-resident has fiscal domicile.

- In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her participation in the scheme.
- The above statement captures the possible tax benefits available to the shareholders of the company from the capital asset being listed equity shares in a summary manner only.

The above statement of possible direct tax benefits set 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.

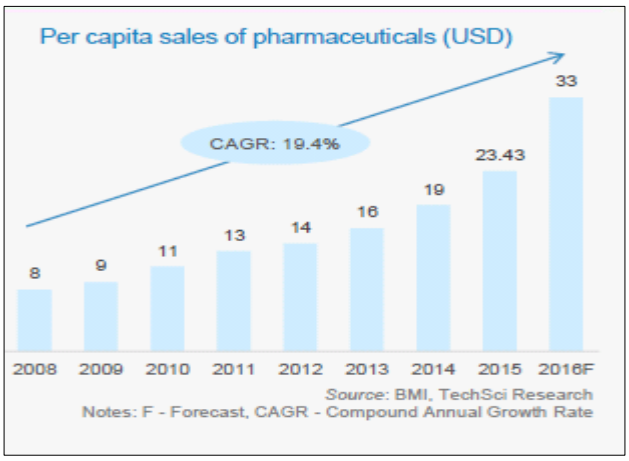
SECTION IV: ABOUT THE COMPANY

OUR INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. 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. You should read the entire Red Herring Prospectus, including the information contained in the sections titled "Risk Factors" and "Financial Statements" and related notes beginning on page 19 and 201 respectively of this Red Herring Prospectus before deciding to invest in our Equity Shares.

INTRODUCTION: PHARMACEUTICALS INDUSTRY

- Growing per capita sales of pharmaceuticals in India offers ample opportunities for players in this market
- Per capita sales of pharmaceuticals is expected to expand at a CAGR of 19.4 per cent to USD33 by 2016F
- Economic prosperity would improve affordability for generic drugs in the market and improve per capita sales of pharmaceuticals in India



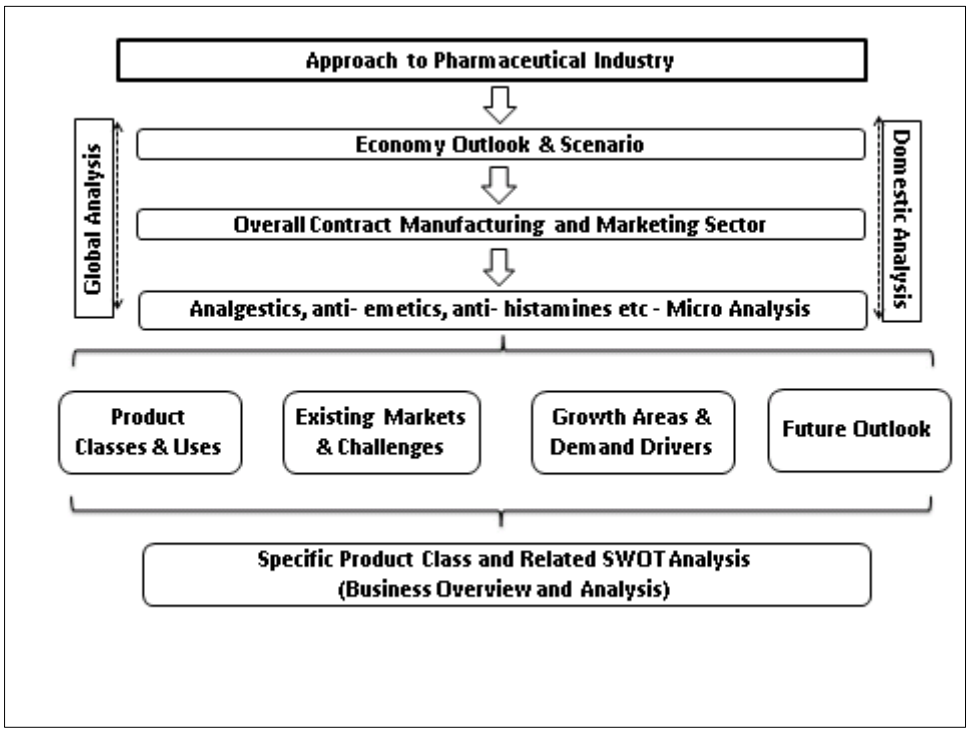
(Source: Pharmaceuticals, India Brand Equity Foundation, www.ibef.org)

APPROACH TO INDUSTRY ANALYSIS

Analysis of Pharmaceuticals Industry needs to be approached at both macro and micro levels, whether for domestic or global markets. Pharmaceuticals Industry forms part of Manufacturing Sector at a macro level. Hence, broad picture of Manufacturing Sector should be at preface while analysing the Pharmaceuticals Industry.

Manufacturing sector comprises various industries, which in turn, have numerous sub-classes or products. One such major industry in the overall Manufacturing sector is 'Pharmaceuticals Industry', which in turn encompasses various components one of them being "Analgestics, anti-emetics, anti-histamines etc.".

Thus, Analgestics, anti-emetics, anti- histamines etc Segment should be analysed in the light of 'Pharmaceuticals industry' at large. An appropriate view on Analgestics, anti-emetics, anti-histamines etc Segment, then, calls for the overall economy outlook, performance and expectations of Infrastructure Sector, position of Pharmaceuticals Industry and micro analysis.



This Approach Note is developed by Pantomath Capital Advisors Private Limited ('Pantomath') and any unauthorized reference or use of this Note, whether in the context of Pharmaceuticals Industry and/or any other industry, may entail legal consequences.

GLOBAL ECONOMIC ENVIRONMENT

INTRODUCTION

Since the Economic Survey and Budget were presented a year ago, the Indian economy has continued to consolidate the gains achieved in restoring macro-economic stability. Inflation, the fiscal deficit, and the current account deficit have all declined, rendering India a relative haven of macro stability in these turbulent times. Economic growth appears to be recovering, albeit at varying speeds across sectors.

At the same time, the upcoming Budget and 2016-17 (FY-2017) economic policy more broadly, will have to contend with an unusually challenging and weak external environment. Although the major international institutions are yet again predicting that global growth will increase from its current subdued level, they assess that risks remain tilted to the downside. This uncertain and fragile outlook will complicate the task of economic management for India.

The risks merit serious attention not least because major financial crises seem to be occurring more frequently. The Latin American debt crisis of 1982, the Asian Financial crisis of the late 1990s, and the Eastern European crisis of 2008 suggested that crises might be occurring once a decade. But then the rapid succession of crises, starting with Global Financial Crisis of 2008and proceeding to the prolonged European crisis, the mini-crises of 2013, and the China provoked turbulence in 2015 all hinted that the intervals between events are becoming shorter.

This hypothesis could be validated in the immediate future, since identifiable vulnerabilities exist in at least three large emerging economies—China, Brazil, Saudi Arabia—at a time when underlying growth and productivity developments in the advanced economies are soft. More flexible exchange rates, however, could moderate full-blown eruptions into less disruptive but more prolonged volatility.

One tail risk scenario that India must plan for is a major currency re-adjustment in Asia in the wake of a similar adjustment in China; as such an event would spread deflation around the world. Another tail

risk scenario could unfold as a consequence of policy actions—say, capital controls taken to respond to curb outflows from large emerging market countries, which would further moderate the growth impulses emanating from them.

In either case, foreign demand is likely to be weak, forcing India—in the short run—to find and activate domestic sources of demand to prevent the growth momentum from weakening. At the very least, a tail risk event would require Indian monetary and fiscal policy not to add to the deflationary impulses from abroad. The consolation would be that weaker oil and commodity prices would help keep inflation and the twin deficits in check.

(Source: Economic Survey 2015-16-Volume I; www.indiabudget.nic.in)

GLOBAL ECONOMIC OVERVIEW

The global macroeconomic landscape is currently chartering a rough and uncertain terrain characterized by weak growth of world output. The situation has been exacerbated by; (i) declining prices of a number of commodities, with reduction in crude oil prices being the most visible of them, (ii) turbulent financial markets (more so equity markets), and (iii) volatile exchange rates. These conditions reflect extreme risk-aversion behaviour of global investors, thus putting many, and in particular, commodities exporting economies under considerable stress.

One important positive outcome in 2015 is the modest pickup in the growth of some of the advanced economies. However, growth in emerging market and developing economies declined for the fifth consecutive year. As a result, overall global economic activity remained subdued in 2015. In its latest Update of the World Economic Outlook (WEO), published on 19 January 2016, the IMF projected growth in the global economy to improve from 3.1 per cent in 2015, to 3.4 per cent in 2016 and further to 3.6 per cent in 2017. Growth in advanced economies is projected at 2.1 per cent in 2016 and to continue through 2017 at the same rate.

The slowdown and rebalancing of the Chinese economy, lower commodity prices, and strains in some large Emerging Market and Developing economies (EMDE) are likely to continue to weigh on their growth prospects in 2016–17. Assessments indicate that mixed inflation developments in the EMDEs reflect the conflicting implications of weak domestic demand and lower commodity prices versus marked currency depreciations over the past year. The WEO update also indicated that India and the rest of emerging Asia are bright spots, with some other countries facing strong headwinds from China's economic rebalancing and global manufacturing weakness. World trade volume growth projections have been placed at 2.6 per cent and 3.4 per cent respectively for 2015 and 2016, which is much lower than what was estimated earlier in WEO in October 2015.

(Source: Economic Survey 2015-16-Volume II; www.indiabudget.nic.in)

GLOBAL OUTLOOK FOR GROWTH

One important positive outcome in 2015 was the modest pick-up in growth in some of the advanced economies. It might be recalled that after falling in 2009 due to the 2008 global financial crisis, growth in emerging and developing economies rebounded in 2010 and 2011. While advanced economies also exhibited a recovery in 2010 thanks to the large stimuli, global growth continued to be tepid relative to the average of the decade ending 2006, largely on account of the slowdown in advanced economies. Spill over effects of the crisis may have been large, prolonged and bi-directional, given that the global integration is far greater than in the prior decade. This has made the task of projecting global economic outlook arduous. This uncertainty has led to the International Monetary Fund (IMF) revising the global growth outlook in its World Economic Outlook (WEO) four times a year since 2009.

In its latest WEO Update, published on 19 January 2016, the IMF has projected growth in the global economy to go up from 3.1 per cent in 2015 to 3.4 per cent in 2016 and further to 3.6 per cent in 2017, slightly lower than the projection published in October 2015. Growth in advanced economies is revised by 0.2 percentage points in 2016 to 2.1 per cent, to continue through 2017. Growth in the US is expected to remain resilient owing to strengthening of the housing and labour markets. Growth in the euro area is expected to increase due to stronger private consumption supported by lower oil

prices and easy financial conditions is expected to outweigh the weakening in net exports. Growth in Japan is also expected to consolidate in 2016, on the back of fiscal support, lower oil prices, accommodative financial conditions, and rising incomes.

Overall global economic activity remained subdued in 2015, as growth in emerging market and developing economies (EMDE) declined for the fifth consecutive year and recovery in advanced economies was modest. This is also attributable to the changing composition of the global economy and relative point contributions to global growth. The fall in the contribution of the EMDEs is not being made good by the advanced economies. A recent feature is that the Chinese economy is gradually slowing down and is transitioning from investment demand to consumption demand and from manufacturing to services. The concern over the spill over's of subdued global growth to other economies through trade channels and weaker commodity prices is manifest in diminishing confidence and increasing volatility in financial markets. In addition, a dual monetary policy-a gradual tightening in monetary policy in the US in the backdrop of its resilient recovery and easy monetary policy in several other major advanced economies has led to continued uncertainties and poses challenges for the year ahead. In the case of EMDEs, growth remained subdued at 4 per cent in 2015, but is projected to increase to 4.3 per cent in 2016 and 4.7 per cent in 2017. The slowdown and rebalancing of the Chinese economy, lower commodity prices, and strains in some large emerging market economies will continue to weigh on growth prospects in 2016–17. Assessments indicate that mixed inflation developments in EMDEs reflect the conflicting implications of weak domestic demand and lower commodity prices versus marked currency depreciations over the past year.

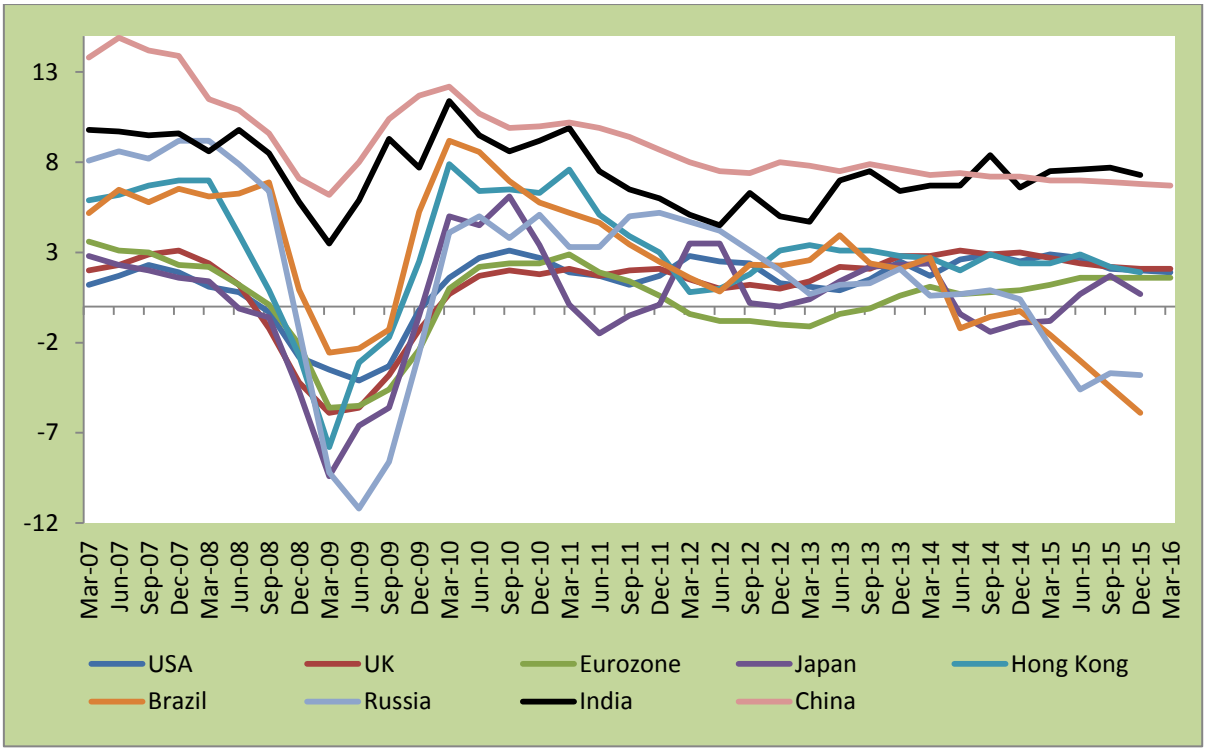
The 19 January WEO Update also indicated that India and the rest of emerging Asia are bright spots, albeit with some countries facing strong headwinds from China's economic rebalancing and global manufacturing weakness. The IMF's growth forecast for India is 7.5 per cent in 2016 and 2017 and this surpasses the projection of 6.3 per cent and 6.0 per cent respectively for China. The level of global economic activity has a significant and direct bearing on the growth prospects of the emerging economies through trade channels. As per the Update, world trade volume growth projections have been placed at 3.4 per cent and 4.1 per cent respectively for 2016 and 2017 lower by 0.7 percentage points to 0.5 percentage point respectively from WEO, October 2015. The World Bank's Report on Global Economic Prospects (January 2016) also estimated that India will grow by a robust 7.8 per cent in 2016 and 7.9 per cent in the following two years. Compared to other major developing countries, the report maintained that India is well positioned to withstand near-term headwinds and volatility in global financial markets due to reduced external vulnerabilities, a strengthening domestic business cycle, and a supportive policy environment.

(Source: Economic Survey 2015-16-Volume II; www.indiabudget.nic.in)

OVERVIEW GLOBAL ECONOMY

The world economy stumbled in 2015, amid weak aggregate demand, falling commodity prices and increasing financial market volatility in major economies. The world gross product is projected to grow by a mere 2.4 per cent in 2015, marking a downward revision from the 2.8 per cent forecast in the World Economic Situation and Prospects as of mid-2015. The growth rates of gross fixed capital formation and aggregate demand continue to remain subdued. The world economy is projected to grow by 2.9 percent in 2016 and 3.2 percent in 2017, supported by generally less restrictive fiscal and still accommodative monetary stances worldwide. The anticipated timing and pace of normalization of the United States monetary policy stance is expected to reduce policy uncertainties. While preventing expressive volatility in exchange rate and asset prices. The improvement in global growth is also predicated on easing of downward pressures on commodity prices, which should encourage new investments and lift growth, particularly in commodity dependent economies.

Year-on-Year Real GDP growth rates of major countries/ region (percent)

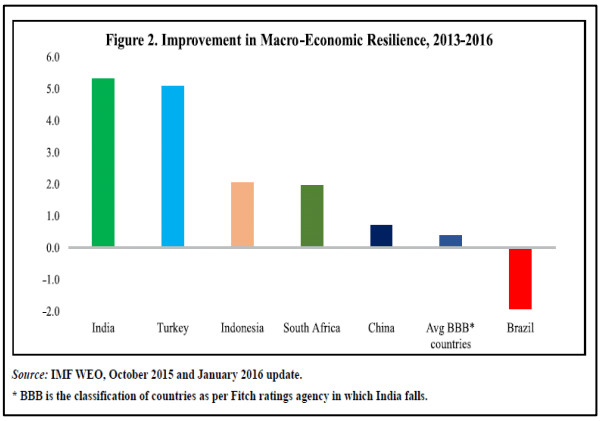


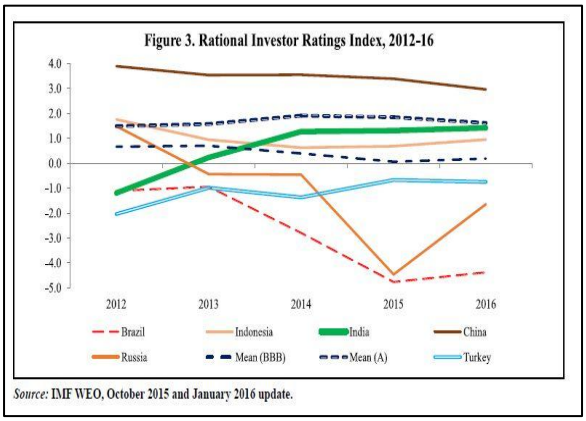
(Source: SEBI Bulletin, April 2016 Volume 14 Number 4 www.sebi.gov.in)

THE INDIAN ECONOMY

The Indian economy has continued to consolidate the gains achieved in restoring macroeconomic stability. A sense of this turnaround is illustrated by a cross-country comparison. In last year's Survey, we had constructed an overall index of macroeconomic vulnerability, which adds a country's fiscal deficit, current account deficit, and inflation. This index showed that in 2012 India was the most vulnerable of the major emerging market countries. Subsequently, India has made the most dramatic strides in reducing its macro-vulnerability. Since 2013, its index has improved by 5.3 percentage points compared with 0.7 percentage points for China, 0.4 percentage points for all countries in India's investment grade (BBB), and a deterioration of 1.9 percentage points in the case of Brazil (Figure 2).

If macro-economic stability is one key element of assessing a country's attractiveness to investors, its growth rate is another. In last year's Survey we had constructed a simple Rational Investor Ratings Index (RIRI) which combined two elements, growth serving as a gauge for rewards and the macro-economic vulnerability index proxying for risks. The RIRI is depicted in Figure 3; higher levels indicate better performance. As can be seen, India performs well not only in terms of the change of the index but also in terms of the level, which compares favourably to its peers in the BBB investment grade and even its "betters" in the A grade1.As an investment proposition, India stands out internationally.





(Source: Economic Survey 2015-16-Volume I, www.indiabudget.nic.in)

REVIEW OF MAJOR DEVELOPMENTS IN INDIAN ECONOMY

In the Advance Estimates of GDP that the Central Statistics Office (CSO) released recently, the growth rate of GDP at constant market prices is projected to increase to 7.6 per cent in 2015-16 from 7.2 per cent in 2014-15, mainly because private final consumption expenditure has accelerated. Similarly, the growth rate of GVA for 2015-16 is estimated at 7.3 per cent vis-à-vis 7.1 per cent in 2014-15. Although agriculture is likely to register low growth for the second year in a row on account of weak monsoons, it has performed better than last year. Industry has shown significant improvement primarily on account of the surprising acceleration in manufacturing (9.5 per cent vis-à-vis 5.5 per cent in 2014-15). Meanwhile, services continue to expand rapidly.

- Even as real growth has been accelerating, nominal growth has been falling, to historically low levels, an unusual trend highlighted in the Mid-Year Economic Analysis (MYEA), 2015-16.
- According to the Advance Estimates, nominal GDP (GVA) is likely to increase by just 8.6 (6.8) percent in 2015-16.
- In nominal terms, construction is expected to stagnate, while even the dynamic sectors of trade and finance are projected to grow by only 7 to 73/4 percent.
- Inflation remains under control The CPI-New Series inflation has fluctuated around 51/2 percent, while measures of underlying trends—core inflation, rural wage growth and minimum support price increases—have similarly remained muted. Meanwhile, the WPI has been in negative territory since November 2014, the result of the large falls in international commodity prices, especially oil. As low inflation has taken hold and confidence in price stability has improved, gold imports have largely stabilized, notwithstanding the end of a period of import controls
- Similarly, the external position appears robust. The current account deficit has declined and is at comfortable levels; foreign exchange reserves have risen to US$351.5 billion in early February 2016, and are well above standard norms for reserve adequacy; net FDI inflows have grown from US$21.9 billion in April-December 2014-15 to US$27.7 billion in the same period of 2015-16; and the nominal value of the rupee, measured against a basket of currencies, has been steady. India was consequently well-positioned to absorb the volatility from the U.S. Federal Reserve actions to normalize monetary policy that occurred in December 2015. Although the rupee has declined against the dollar, it has strengthened against the currencies of its other trading partners.

- The fiscal sector registered three striking successes: on-going fiscal consolidation, improved indirect tax collection efficiency; and an improvement in the quality of spending at all levels of government.
- Government tax revenues are expected to be higher than budgeted levels. Direct taxes grew by 10.7 per cent in the first 9 months (9M) of 2015-16. Indirect taxes were also buoyant. In part, this reflected excise taxes on diesel and petrol and an increase in the Swachh Bharat cess. The central excise duty collection from petroleum products during April to December 2015-16 recorded a growth of 90.5 per cent and stood at Rs.1.3 lakh crore as against Rs. 0.7 lakh crore in the same period last year. Tax performance also reflected an improvement in tax administration because revenues increased even after stripping out the additional revenue measures (ARMs). Indirect tax revenues grew by 10.7 per cent (without ARMs) and 34.2 per cent (with ARMs).
- The main findings are that a welcome shift in the quality of spending has occurred from revenue to investment, and towards social sectors. Aggregate public investment has increased by about 0.6 per cent of GDP in the first 8 months of this fiscal year, with contributions from both the Centre (54 per cent) and states (46 per cent).

(Source: Economic Survey 2015-16-Volume I, www.indiabudget.nic.in)

DEVELOPMENTS IN THE CAPITAL MARKET

PRIMARY MARKET

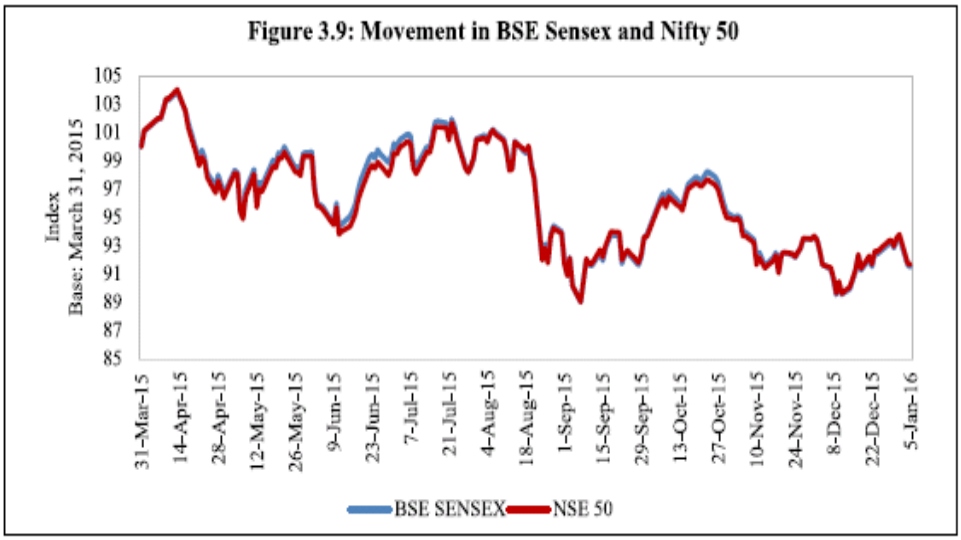
In 2015-16 (April-December), resource mobilization through the public and right issues has surged rapidly as compared to the last financial year. During 2015-16 (April- December), 71 companies have accessed the capital market and raised Rs.51,311 crore, compared to Rs.11,581 crore raised through 61 issues during the corresponding period of 2014-15.

The small and medium enterprises (SME) platform of the stock exchange is intended for small and medium sized companies with high growth potential, whose post issue paid-up capital is less than or equal to Rs. 25 crore. During 2015-16 (April- December), 32 companies were listed on the SME platform, raising a total amount of Rs.278 crore as compared to Rs.229 crore raised through 28 issues in the corresponding period of 2014-15.

Resources mobilized by mutual funds during April-December 2015 also increased substantially to Rs.1,61,696 crore from Rs.87,942crore mobilized during the same period of the previous year.

SECONDARY MARKET

During 2015-16 so far, the Indian securities market has remained subdued (Figure 3.9). The Bombay Stock Exchange (BSE) Sensex declined by 8.5 per cent (upto 5 January 2016) over end-March 2015, mainly on account of turmoil in global equity markets in August 2015 following slowdown in China and its currency devaluation and slump in stocks. On 4 January 2016, weak Chinese manufacturing data again led to a global sell-off which caused the BSE Sensex also to decline by 538 points (2.1per cent).The downward trend in the Indian stock market was also guided by mixed corporate earnings for Q1 and Q2 of 2015- 16, FPIs' concern over minimum alternative tax (MAT), weakening of the rupee against the US dollar, investor concern over delay in passage of the Goods and Services Tax(GST) Bill, uncertainty over interest rate hike by US Fed and selling by FPIs. However, the Indian equity market has been relatively resilient during this period compared to the other major EMEs. The Indian stock market withstood the US Fed increase in interest rates in December 2015.



Source: SEBI

(Source: Economic Survey 2015-16-Volume II, www.indiabudget.nic.in)

INDUSTRIAL PERFORMANCE

The Index of Industrial Production (IIP) which provides quick estimates of the performance of key industrial sectors has started showing upward momentum. As per IIP, the industrial sector broadly comprising mining, manufacturing and electricity attained 3.1 per cent growth during April-December 2015-16 as compared to 2.6 per cent during the same period of 2014- 15 due to the higher growth in mining and manufacturing sectors (Table 6.1). The mining, manufacturing and electricity sectors grew by 2.3 per cent, 3.1 per cent, and 4.5 per cent respectively during April-December 2015-16. The mining sector growth was mainly on account of higher coal production. The manufacturing sector was propelled by the higher production by the industry groups like furniture; wearing apparel, dressing and dyeing of fur; motor vehicles, trailers & semitrailers; chemicals and chemical products; refined petroleum products & nuclear fuel; and wood& products of wood. The growth in electricity is mainly contributed by higher growth in generation of thermal and nuclear sector.

In terms of use based classification, consumer durable goods have witnessed a remarkable growth at 12.4 per cent during April-December 2015-16. Basic goods and capital goods have registered 3.4 per cent and 1.7 per cent growth with intermediate goods by 1.9 per cent (Table 6.1).

The eight core infrastructure supportive industries, coal, crude oil, natural gas, refinery products, fertilizers, steel, cement and electricity that have a total weight of nearly 38 per cent in the IIP, registered a cumulative growth of 1.9 per cent during April-December 2015-16 as compared to 5.7 per cent during April-December 2014-15. Month-wise performance of the eight core sectors shows that the production of coal and fertilizers have increased substantially, while that of crude oil, natural gas and steel have mostly been negative. Refinery products, cement and electricity have attained moderate growth. Clearances for coal projects have facilitated production of coal. Crude oil and natural gas production declined because of a fall in production by Oil and Natural Gas Corporation (ONGC), Oil India Limited (OIL) and also private/joint venture (JV) companies in different months. In electricity generation, while the thermal and nuclear sectors have registered higher growth, the hydro sector has not performed well.

Table 6.1: IIP-based Growth Rates of Broad Sectors/ Use-based Classification (in per cent)

	Weight	2013-14	2014-15	2014-15				2015-16			
				Q1	Q2	Q3	Apr.-Dec.	Q1	Q2	Q3	Apr.-Dec.
General	100.00	-0.1	2.8	4.5	1.3	2.0	2.6	3.3	4.8	1.5	3.1
Sectoral											
Mining	14.16	-0.6	1.5	3.0	0.5	2.1	1.8	0.4	3.1	3.3	2.3
Manufacturing	75.53	-0.8	2.3	3.9	0.4	1.1	1.8	3.7	4.7	0.9	3.1
Electricity	10.32	6.1	8.4	11.3	9.4	9.4	10.0	2.3	6.8	4.4	4.5
Use Based											
Basic goods	45.68	2.1	7.0	8.7	7.0	8.3	8.0	4.7	4.4	1.3	3.4
Capital goods	8.83	-3.6	6.4	13.6	-0.5	3.2	5.1	2.0	13.4	-10.0	1.7
Intermediate goods	15.69	3.1	1.7	3.1	1.6	0.8	1.8	1.6	2.2	1.9	1.9
Consumer goods	29.81	-2.8	-3.4	-3.2	-5.4	-6.4	-4.9	2.5	2.7	6.8	4.0
Consumer durables	8.46	-12.2	-12.6	-9.5	-15.5	-20.9	-15.2	3.7	11.9	23.4	12.4
Consumer non-durables	21.35	4.8	2.8	1.4	2.3	3.2	2.3	1.7	-3.0	-1.6	-1.0

Source: CSO

Table 6.1 depicts three months moving average month-on-month (M-o-M) growth of the IIP, manufacturing and eight core industries. The growth in industrial production, manufacturing sector and the eight core sectors started picking up again in December 2015. It is expected that the uptick in growth rate will be maintained due to revival in manufacturing production.

While the overall IIP has shown recovery, there is variation in the performance of some of the major industries during April-December 2015. While some sectors like electricity, coal, fertilizers, cement and passenger cars have shown positive growth, sectors like steel and aluminium have shown negative growth during April-December 2015.

(Source: Economic Survey 2015-16-Volume-II, www.indiabudget.nic.in)

MICRO SMALL AND MEDIUM ENTERPRISES SECTOR

With 3.6 crore units spread across the country, that employ 8.05 crore people, Micro, Small and Medium Enterprises (MSME) have a contribution of 37.5 per cent to the country's GDP. The sector has huge potential for helping address structural problems like unemployment, regional imbalances, unequal distribution of national income and wealth across the country. Due to comparatively low capital costs and their forward-backward linkages with other sectors, MSMEs will play a crucial role in the success of the Make in India initiative.

Realizing the importance of the MSME sector, the government has undertaken a number of schemes/programmes like the Prime Minister's Employment Generation Programme (PMEGP), Credit Guarantee Trust Fund for Micro and Small Enterprises (CGTMSE), Credit Linked Capital Subsidy Scheme (CLCSS) for Technology Up gradation, Scheme of Fund for Regeneration of Traditional Industries (SFURTI), and Micro and Small Enterprises- Cluster Development Programme (MSECDP) for the establishment of new enterprises and development of existing ones. Some of the new initiatives undertaken by the government for the promotion and development of MSMEs are as follows:

- **Udyog Aadhar Memorandum (UAM):** The UAM scheme, which was notified in September 2015 under section 8 of the MSME Development Act 2006, is a path-breaking step to promote ease of doing business for MSMEs. Under the scheme, MSME entrepreneurs just need to file an online entrepreneurs' memorandum to instantly get a unique Udyog Aadhaar Number (UAN). The information sought is on self-certification basis and no supporting documents are required. This marks a significant improvement over the earlier complex and cumbersome procedure.
- **Employment Exchange for Industries:** To facilitate match making between prospective job seekers and employers an employment exchange for industries was launched on June 15, 2015 in line with Digital India. More than 3.42 lakh job seekers have been registered on the portal as on December 30, 2015.

- **Framework for Revival and Rehabilitation of MSMEs:** Under this framework, which was notified in May 2015, banks have to constitute a Committee for Distressed MSME enterprises at zonal or district level to prepare a Corrective Action Plan (CAP) for these units.
- **A scheme for Promoting Innovation and Rural Entrepreneurs (ASPIRE):** ASPIRE was launched on March 16, 2015 with the objective of setting up a network of technology centres and incubation centres to accelerate entrepreneurship and promote start-ups for innovation and entrepreneurship in rural and agriculture based industry.

In addition, the government intends to provide more credit to MSME sectors, especially in the rural areas, focusing on skill development, encouraging entrepreneurial activities with optimistic mindset among rural youth and creating job opportunities among rural women, for high, inclusive and sustained industrial growth

(Source: Economic Survey 2015-16-Volume II, www.indiabudget.nic.in)

OUTLOOK FOR GROWTH

Real GDP growth for 2015-16 is expected to be in the 7 to $7^{3/4}$range, reflecting various and largely offsetting developments on the demand and supply sides of the Indian economy. Before analysing these factors, however, it is important to step back and note one important point. India's long-run potential GDP growth is substantial, about 8-10 percent. But its actual growth in the short run will also depend upon global growth and demand. After all, India's exports of manufactured goods and services now constitute about 18 percent of GDP, up from about 11 percent a decade ago.

Reflecting India's growing globalization, the correlation between India's growth rate and that of the world has risen sharply to reasonably high levels. For the period 1991-2002 this correlation was 0.2. Since then, the correlation has doubled to 0.42. In other words, a 1 percentage point decrease in the world growth rate is now associated with a 0.42 percentage point decrease in Indian growth rates.

Accordingly, if the world economy remains weak, India's growth will face considerable headwinds. For example, if the world continues to grow at close to 3 percent over the next few years rather than returning to the buoyant 4-4½ per cent recorded during 2003-2011, India's medium-term growth trajectory could well remain closer to 7-7½ per cent, notwithstanding the government's reform initiatives, rather than rise to the 8-10 per cent that its long-run potential suggests. In other words, in the current global environment, there needs to be a recalibration of growth expectations and consequently of the standards of assessment.

Turning to the outlook for 2016-17, we need to examine each of the components of aggregate demand: exports, consumption, private investment and government.

- To measure the demand for India's exports, we calculate a proxy-weighted average GDP growth rate of India's export partners. The weights are the shares of partner countries in India's exports of goods and services. We find that this proxy for export demand growth declined from 3.0 percent in 2014 to 2.7 per cent in 2015, which helps explain the deceleration in India's non-oil exports, although the severity of the slowdown—in fact, a decline in export volume—went beyond adverse external developments. Current projections by the IMF indicate that trading partner growth this demand will improve marginally this year to about 2.8 percent. But the considerable downside risks suggest that it would be prudent not to count on a big contribution to GDP growth from improving export performance.
- On the domestic side, two factors could boost consumption. If and to the extent that the Seventh Pay Commission (7th PC) is implemented, increased spending from higher wages and allowances of government workers will start flowing through the economy. If, in addition, the monsoon returns to normal, agricultural incomes will improve, with attendant gains for rural consumption, which over the past two years of weak rains has remained depressed.

- Against this, the disappearance of much of last year's oil windfall would work to reduce consumption growth. Current prospects suggest that oil prices (Indian crude basket) might average US$ 35 per barrel next fiscal year compared with US$ 45 per barrel in 2015-16. The resulting income gain would amount roughly equivalent to 1 percentage point of GDP – an 18 per cent price decline times a share of net oil imports in GDP of 6 percent. But this would be half the size of last year's gain, so consumption growth would slow on this account next year.
- According to analysis done by Credit Suisse, (non-financial) corporate sector profitability has remained weak, falling by 1 percent in the year to December 2015.This decline reflected a sharp deterioration in the financial health of the metals—primarily steel—companies, which have now joined the ranks of companies under severe financial stress. As a result, the proportion of corporate debt owed by stressed companies, defined as those whose earnings are insufficient to cover their interest obligations, has increased to 41 percent in December 2015, compared to 35 percent in December 2014.3 In response to this stress, companies have once again been compelled to curb their capital expenditures substantially.
- Finally, the path for fiscal consolidation will determine the demand for domestic output from government. The magnitude of the drag on demand and output will be largely equal to the size of consolidation, assuming a multiplier of about 1.
- There are three significant downside risks. Turmoil in the global economy could worsen the outlook for exports and tighter financial conditions significantly. Second, if contrary to expectations oil prices rise more than anticipated, this would increase the drag from consumption, both directly, and owing to reduced prospects for monetary easing. Finally, the most serious risk is a combination of the above two factors. This could arise if oil markets are dominated by supply-related factors such as agreements to restrict output by the major producers.
- The one significant upside possibility is a good monsoon. This would increase rural consumption and, to the extent that it dampens price pressures, open up further space for monetary easing.
- Putting these factors together, we expect real GDP growth to be in the 7 to 7 $^{3/4}$ per cent range, with downside risks because of on-going developments in the world economy. The wider range in the forecast this time reflects the range of possibilities for exogenous developments, from a rebound in agriculture to a full-fledged international crisis; it also reflects uncertainty arising from the divergence between growth in nominal and real aggregates of economic activity.

(Source: Economic Survey 2015-16-Volume I, www.indiabudget.nic.in)

INDIA'S INCREASING IMPORTANCE TO GLOBAL GROWTH

Despite global headwinds and a truant monsoon, India registered robust growth of 7.2 per cent in 2014-15 and 7.6 per cent in 2015-16, thus becoming the fastest growing major economy in the world. As per the estimates of the International Monetary Fund (IMF), global growth averaged 3.1 per cent in 2015, declining from 3.4 per cent registered in 2014. While growth in advanced economies has improved modestly since 2013, the emerging economies have witnessed a consistently declining trend in growth rate since 2010. It is against this background that the recent Indian growth story appears particularly bright.

India has made striking progress in its contribution to the global growth of Gross Domestic Product (GDP) in Purchasing Power Parity (PPP) terms. PPP represents the number of units of a country's currency required to purchase the same amount of goods and services in the domestic market as the US dollar would purchase in the United States, thus adjusting for purchasing power differentials between currencies in relevant markets. India's contribution to global growth in PPP terms increased from an average of 8.3 per cent during the period 2001 to 2007 to 14.4 per cent in 2014. During the 1990s, the US's contribution to the global GDP growth in PPP terms was, on an average, around 16 percentage points higher than India's. The picture changed dramatically in 2013 and 2014 when India's contribution was higher than that of the US by 2.2 and 2.7 percentage points respectively. During 1991-2014, low growth in Japan (0.9 per cent annually) resulted in its low contribution (1.5 per cent) to global growth. India and China constitute 42.5 per cent and 53.2 per cent respectively of

the total PPP measure of the lower-middle income countries and upper-middle income countries; and hence those country groups largely reflect India's and China's patterns.

The global economy—in particular the global growth powerhouse, China—is rebalancing, leading to an increasing role for India. After the onset of the multiple crises in different parts of the world, India's contribution has become much more valuable to the global economy.

India's share in world GDP has increased from an average of 4.8 per cent during 2001-07 to 6.1 per cent during 2008-13 and further to an average of 7.0 per cent during 2014 to 2015 in current PPP terms (IMF). India's resilience and current levels of reasonably strong growth should, thus, be appreciated in the light of its increasing contribution to global growth.

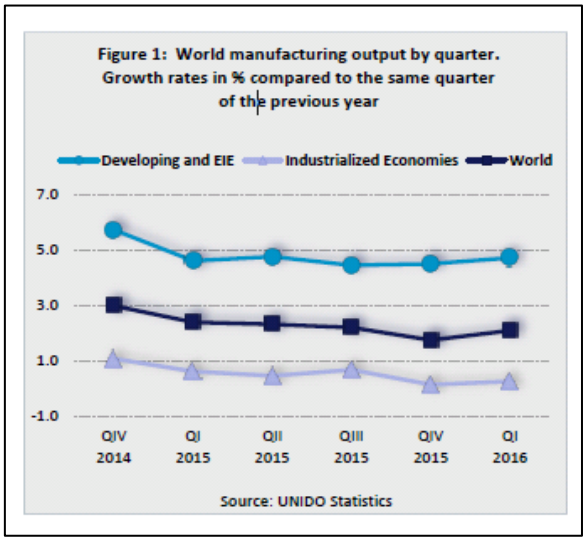
(Source: Economic Survey 2015-16-Volume II, www.indiabudget.nic.in)

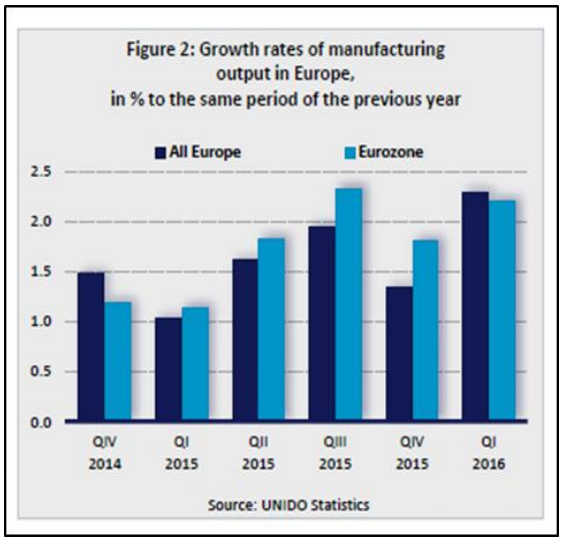
GLOBAL MANUFACTURING SECTOR

World manufacturing growth in the first quarter of 2016

World manufacturing growth continued to be sluggish in the first quarter of 2016 due to the fragile recovery process in industrialized economies and significantly weakened growth prospects in developing and emerging industrial economies. China, which has emerged as the largest global manufacturer in the aftermath of the protracted economic crisis, has entered a transition period and has adopted a more balanced pace, thus pushing the average industrial growth of emerging industrial economies downward. World manufacturing growth has also been affected by the generally lower growth pace in the United States and Japan, the second and third largest manufacturers in the world. Increasing pressure associated with financial volatility and falling oil prices has contributed to the instability of manufacturing growth in industrialized economies.

Despite the protracted period of low growth in industrialized as well as in developing and emerging economies, there is no sign of an imminent recession in global industrial production. World manufacturing output rose by 2.1 per cent in the first quarter of 2016 compared to the same period of the previous year, which is slightly higher than 1.8 per cent growth estimated for the last quarter of 2015. The production of durable goods, motor vehicles and consumer electronics is rising in industrialized and in developing economies. These positive growth trends were observed across country groups (Figure 1).





Industrialized economies marginally increased their quarterly growth rate in the first quarter of 2016 to 0.3 per cent from 0.2 per cent in the previous quarter. Some improvement in growth performance was observed in Europe, where manufacturing output rose by 2.3 per cent in the first quarter of 2016 compared to the same period of the previous year. The growth of manufacturing output slightly

increased in North America in the first quarter of 2016, but was still below 1.0 per cent. East Asia experienced a major blow, with manufacturing output dropping by nearly 3.0 per cent in the first quarter of 2016. Production decline was reported in two of East Asia's major manufactures, Japan and the Republic of Korea. Japan's yen began rising against other major currencies against the backdrop of an increased trade balance due to an earlier export surge, which has adversely affected manufacturing production in recent months. Production decline in East Asia had a negative impact on the manufacturing growth of industrialized countries as a whole.

Manufacturing growth in developing and emerging industrial economies remains weak due to a further slowdown in capital inflows from industrialized economies and a significant decline in exports. The slow recovery of industrialized economies and their dependence on external markets has exposed domestic structural problems in developing and emerging industrial economies, which have now been further compounded due to falling oil prices, compression of demand in domestic markets and high fluctuation in commodity prices. The downward trend of net capital inflows to developing economies continued, while exports from developing economies dropped by 13.0 per cent in 2015 (UNCTAD).

Despite the prolonged period of weak growth, developing and emerging industrial economies contributed around 90.0 per cent of global manufacturing growth in the first quarter of 2016. Manufacturing output in developing and emerging industrial economies increased by 4.7 per cent in the first quarter, slightly higher than in the previous quarter (4.5 per cent). As depicted in Figure 1, the pace of growth in both country groups exhibit similar trends but the level of growth has been consistently higher in developing and emerging industrial economies than in industrialized countries. However, growth performance varied considerably among the regions. While Asian economies persevered, manufacturing output dropped in Africa and Latin America. Manufacturing output declined in Egypt and South Africa in the first quarter of 2016. Similarly, a sharp plunge in production was observed in Brazil as a result of overall economic recession.

Industrialized economies

Industrialized countries maintained a positive growth of manufacturing output overall in the first quarter of 2016, however, the pace has been too slow over a protracted period. The average quarterly growth of industrialized economies in 2015 was below 1.0 per cent, and only 0.3 per cent in the first quarter of 2016 compared to the same period of the previous years. Growth in industrialized economies in the first quarter of 2016 was characterized by moderate growth in Europe and North America and a negative trend in East Asia. This trend has persisted for quite some time.

Among the industrialized regions, Europe's manufacturing output has grown consistently since 2014. Manufacturing output in the first quarter of 2016 rose by 2.3 per cent compared to the same period of the previous year. This is the highest growth rate registered in Europe since early 2014. The growth figures were positive for the majority of European countries, with strong growth performance of around 7.0 per cent or more being observed in Switzerland, Ireland, Lithuania and Slovenia.

At the peak of financial instability, UNIDO's Quarterly Reports presented disaggregated data for the eurozone economies to distinguish their growth trends from the rest of Europe. This difference seems to have disappeared in recent quarters. The growth trends for these two groups converged at the beginning of 2016. Eurozone economies, assisted by lower energy prices and a weaker euro, indicated a 2.2 per cent growth of manufacturing output in the first quarter of 2016. Germany, the largest manufacturer among the eurozone countries, performed well with an increase of 1.8 per cent in manufacturing output. Manufacturing output rose by 2.1 per cent in Italy and by 0.9 per cent in France. Manufacturing output also rose in Belgium (2.5 per cent), in the Netherlands (1.5 per cent) and in Spain (4.9 per cent). Greece recorded a second consecutive quarter of positive growth, with manufacturing output rising by 1.4 per cent in the first quarter of 2016.

Outside the eurozone, the manufacturing output of the United Kingdom declined by 1.3 per cent in the first quarter of 2016 compared to the same period of 2015. A potential Brexit has created considerable uncertainty, affecting business environment confidence and resulting in negative growth of

manufacturing output. Among the other economies, the falling oil prices has hit the manufacturing output of Norway and the Russian Federation particularly hard, where output dropped by 6.4 per cent and 3.4 per cent, respectively. The manufacturing output of East European countries demonstrated a relatively higher growth rate of 3.4 per cent in Poland, 7.3 per cent in Croatia and 5.3 per cent in Bulgaria.

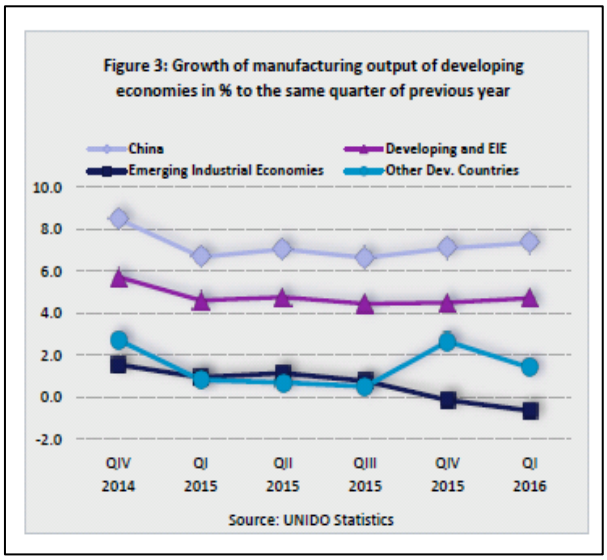
The industrial production index in North America rose by 0.9 per cent in the first quarter of 2016. Canada outperformed the United States with a 2.7 per cent growth of manufacturing output, attributable primarily to the high growth in the production of motor vehicles. US manufacturing output rose by merely by 0.7 per cent against the backdrop of a decline in competitiveness due to a strong dollar and weak consumer spending.

In East Asia, manufacturing output rose in Malaysia by 4.2 per cent, while other major economies observed negative growth. Manufacturing output dropped by 3.2 per cent in Japan, 1.8 per cent in Singapore and by 3.8 per cent in the Republic of Korea. The manufacturing output of the industrialized economies of East Asia fell by 2.9 per cent.

Developing and emerging industrial economies

A slowdown in China and a downturn in Latin America have impacted the overall growth of manufacturing in developing and emerging industrial economies. The slowdown in China was modest; manufacturing output rose by 7.4 per cent. This is one of the slowest growth rates since 2005, but not when compared with other economies of the world. Due to strong domestic demand, China's manufacturing has proven resilient to external shocks. Compared to other economies, China has maintained relatively high growth rates under conditions of declining capital inflow and exports.

Latin American economies, on the other hand, were not equally resilient and were negatively affected by subdued global demand for commodities and falling oil prices. The manufacturing production in Latin America fell by 3.3 percent. In addition, Brazil, South America's largest manufacturer, faced political uncertainty, decreasing prices of export commodities and soaring inflation. The manufacturing output of Brazil in the first quarter of 2016 plunged by 11.2 per cent compared to the same period of the previous year. Manufacturing growth in other major economies of the continent, namely Argentina and Chile, was less than 1 per cent, while Peru's manufacturing production dropped by 1.6 per cent. Mexico and Columbia recorded relatively higher growth rates.



Growth performance was much higher in Asian economies, where manufacturing output rose by 6.3 per cent in the first quarter of 2016. As one of the fast growing Asian economies, Viet Nam has maintained a double digit growth rate of manufacturing output for five consecutive quarters. The overall growth of Viet Nam's economy has been driven by strength in export-oriented manufacturing,

which continues to be driven by rising foreign direct investment. Indonesia's manufacturing output, which recently climbed to rank 10 of the largest world manufacturers, grew by 3.7 per cent in the first quarter of 2016. India's manufacturing output, which had achieved impressive growth rates in the last quarters, fell by 2.2 per cent. The high cost of borrowing and poor demand played a major role in the pre-mature reversal of India's manufacturing growth in 2016. Manufacturing production also dropped in Pakistan in the first quarter of 2016.

Estimates based on the limited available data indicate that manufacturing output in Africa has dropped by 0.8 per cent. The loss in growth was attributable to two major African economies - Egypt and South Africa. Egypt's manufacturing output dropped by 1.4 per cent and South Africa's by 0.8 per cent compared to the same period of the previous year. The manufacturing output of Senegal and Tunisia decreased as well. The weaker growth of manufacturing output is primarily credited to low capital inflow and reduced exports. Positive growth was maintained by Côte d'Ivoire and Morocco.

Findings by industry group

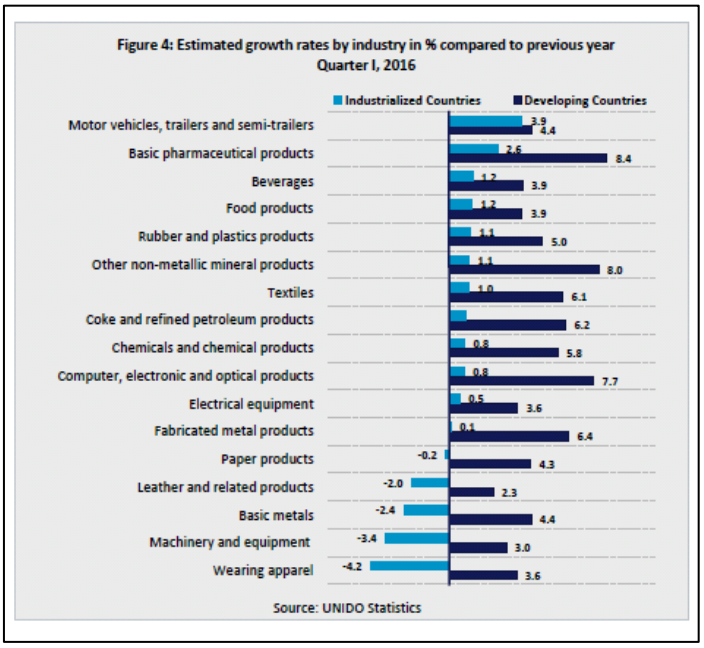
Global manufacturing production maintained a positive growth in nearly all industries in the first quarter of 2016. However, against the backdrop of falling investment in capital goods, the production of machinery and equipment declined by 1.1 per cent worldwide. The biggest loss was recorded by the tobacco industry, with worldwide production declining by 3.4 per cent. By contrast, the production of pharmaceutical products rose by 4.8 per cent. Among other fast growing industries, the production of textiles rose by 4.9 per cent and motor vehicles by 4.1 per cent.

Disaggregated data by industrialized and developing economies show that industrialized countries performed relatively well in the production of high-technology industries such as pharmaceutical products, motor vehicles, chemicals and electronics. The fastest growing industry in industrialized economies was the production of motor vehicles which rose by 3.9 per cent in the first quarter of 2016. Among them, vehicle production in Canada rose by 11.8 per cent, by 9.4 per cent in Italy and by 7.1 per cent in France. However, in Japan the production of motor vehicles fell by 5.3 per cent.

In general, the growth performance of developing and emerging industrial economies was far better in nearly all manufacturing industries, including several high-technology industries. The production of pharmaceutical products in developing and emerging industrial economies rose by the highest rate of 8.4 per cent. A significant contribution to the growth of pharmaceutical products was made by African countries, namely Egypt and Senegal.

As shown in the Figure 4, developing economies maintained a relatively higher growth rate in the production of basic consumer goods. The manufacture of food products rose by 3.9 per cent, textile by 6.1 per cent and wearing apparel by 3.6 per cent. The most significant growth rate among developing economies in the production of wearing apparel was observed in Turkey at 12.2 per cent in the first quarter of 2016. The production of other consumer goods rose at a higher rate in developing and emerging industrial economies. Among other industries, the production of chemicals and chemical products grew by 5.8 per cent and basic metals by 4.4 per cent.

The growth rates for selected industries are presented below.



The production of electronic and optical products registered one of the highest growth figures at 7.7 per cent in developing and emerging industrial economies. Similarly, the manufacture of other non-metallic mineral products that essentially supply construction materials rose by nearly 8.0 per cent.

Additional statistics on the growth rates in the first quarter of 2016 are available in the Statistical Tables.

(Source: World Manufacturing Production- Statistics for Quarter I, 2016; United Nations Industrial Development Organisation - www.unido.org).

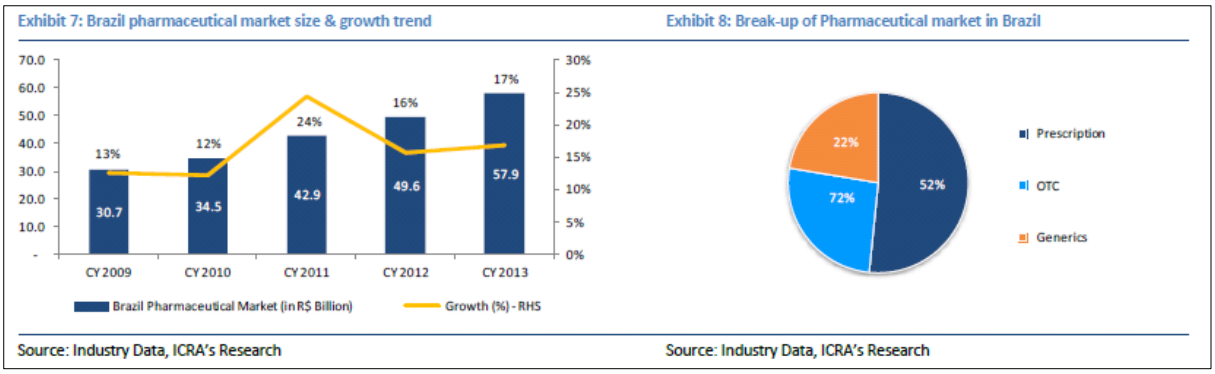
GLOBAL OVERVIEW OF PHARMACEUTICL INDUSTRY

Emerging Markets- Brazil

Market Size & Structure

With market size of US$ 26 billion, Brazil is the sixth largest pharmaceutical market in the world. The industry has grown steadily at a CAGR (%) of 17% over the past five years aided by rising income levels and increasing access to healthcare on back of government led programmes and pro-generic reforms. Brazil has primarily been a branded generics market with prescriptions contributing to almost half of the industry size. However, the share of generics has been increasing over the years on back of government's pro-generic initiatives. In 2004, the Brazilian government introduced Farmacia Popular, a program that was aimed at broadening the access of affordable medicines. According to industry estimates, nearly 3/4th of drugs forming part of this programme are currently generics. As a result of this initiative, the share of generics in the industry has increased from 14% in CY 2008 to 22% in CY 2012.

In line with other developing countries, Brazil also depends heavily on private spending on healthcare with 'out-of-pocket' contributing almost 80% of healthcare expenditure. However, to curb healthcare costs, the government is gradually increasing its role by including additional drugs under its bulk procurement programme.



(Source: Indian Pharmaceutical Industry- An Update on Emerging Markets– A Key Export Destination, ICRA Research Services, www.icra .in)

Competitive Landscape

In terms of market composition, MNCs pharma companies have a strong foothold in the branded generics segment, while local players dominate the generics segment. The share of domestic companies has however been with rising proportion of generics. Despite increasing share of local players, Brazil still remains a net importer of pharmaceuticals. Given this scenario, the government has introduced several policies over time to encourage domestic manufacturing, whose share has been rising gradually.

Among Indian companies, Torrent Pharma, Glenmark and Cadila Healthcare have reasonable presence in Brazil. In FY 2014, Torrent generated almost 58% of its Rest of the World (RoW) revenues from Brazil, which it has built through scale-up in new products after acquiring a local company back in 2002. Glenmark too has scaled-up its revenues from Latin America (with Brazil being the key market) at CAGR of 31% over the past five years.

Regulatory Landscape & Challenges

Notwithstanding its growth potential, the operating environment in Brazil has become somewhat challenging over the past couple of years – contributed by delays in receiving approvals from regulatory agency (ANVISA) for new product launches and increasing competitive pressures from domestic players. In addition, development of unbranded generics has also hurt profitability in the branded generics space. The industry is also going through a phase of consolidation owing to entry of large wholesalers and big retail chains acquiring smaller ones.

The Indian Pharma companies have adjusted their business plans in line with these challenges. For instance, while Torrent is increasing its presence in the pure generics space and institutional business (i.e. government tenders), Glenmark has been trying to build a product portfolio in some niche therapies like respiratory, dermatology and oncology. Both Glenmark and Cadila have also been investing in developing presence in other LATAM markets like Mexico and Venezuela. Some of the companies have also been scouting for in-organic investment opportunities as well. During FY 2014, Lupin acquired a Mexico-based branded pharma company with presence in the ophthalmology segment.

Emerging Markets- Russia

Market Size & Structure

With a market size of ~US$ 25 billion, Russia ranks as the seventh largest pharmaceutical market globally. Although the industry has registered a CAGR of 13% (in local currency terms) over the past five years, the growth momentum has slowed down over the past few years on back of price cuts and weakening economic growth. Despite challenges on the economy front, the demand continues to remain relatively stable on back of improving access to healthcare as a result of government's healthcare programmes. The pharmaceutical market can be broadly divided in three segments – Retail, Hospitals and Federal Reimbursement Program (FRP). In absence of a national drug provision

insurance system, Russia's pharmaceutical market also depends on private spending on healthcare, which contributes almost 75% to industry sales (in value terms). The other two segments – Hospitals and FRP accounted for 15% and 10% of the total industry in 2013. The FRP segment refers to Government's reimbursement program which includes two key programmes - the essential drug management, called ONLS and 7 "Nosologies" program. Although essential drug list in Russia covers a substantial proportion (44% in 2013) of the industry but FRP's coverage is fairly limited as only a small fraction of the country's population qualifies for drug reimbursements at present.

Competitive Landscape

The Russian pharmaceutical industry is highly fragmented and is largely dominated by foreign pharmaceutical companies given the absence of a well developed domestic pharmaceutical industry. In 2013, nearly 76% of drugs sold in Russia were imported with balances being produced by local companies. Nine out of the top-10 pharmaceutical companies in Russia have foreign ownership and majority of them are the big pharma MNCs including Novartis, Sanofi Aventis, Bayer, Nycomed etc. With revenues of RUR 56 billion (or US$ 1.75 billion) and a market share of 3.7% (in 2013), Pharmstandard is the only domestic player that features among the top-10 pharma companies in the country. Given the dependence on imports, the Russian Government has put in place a strategy to promote the development of the domestic industry which aims to achieve atleast 50% import substitution by 2020.

Indian pharma companies have relatively strong presence in Russia

Russia and the CIS region has been an important market for Indian pharmaceutical companies, with most of the leading companies having a presence there. However, Dr. Reddy's and Ranbaxy are the only two players among leading pharma companies that have sizeable presence in Russia and the CIS region. In FY 2014, Dr. Reddy's generated revenues of $270 million from Russia, which along with the CIS region accounted for 75% of its emerging markets business (excluding India). So far, Dr. Reddy's has focused on increasing market traction of its key brands (i.e. Omez, Nise, Ketorol, Ciprolet etc.) and building a strong OTC portfolio (39% to its revenues from Russia). However, going forward, it aims to build a portfolio of 'differentiated' and 'complex' products with focus on oncology and biosimilars.

Emerging Markets- South Africa

Market Size & Structure

With a market size of US$ 3.1 billion, South Africa is the largest and the most developed pharmaceutical market within the African continent. Over the past five years, the private market (excluding government procurement) has grown at CAGR (%) of 8% driven by improving healthcare infrastructure, increasing income levels and rising demand for drugs to treat chronic diseases. While structural drivers remain intact, the industry growth has witnessed some moderation over the past couple of years from 12.4% (in FY 2012) to 4.3% (in FY 2014) on back of weak economic environment.

Similar to other emerging markets, 'out of pocket' spending on healthcare accounts for almost 85% of pharmaceutical sales in South Africa. Nearly 40% of the private market is prescription driven, while OTC and generics contribute almost 27-28% each. Driven by government's pro-generic reforms, the share of generics has however been rising steadily and is poised for steady growth on back of gradual implementation of National Health Insurance (NHI) scheme. Although private sector dominates the overall industry, the share of government procurement grew by 33% in FY 2014 compared to a growth of 4.3% witnessed by the private sector. Majority of public sector spending on healthcare comprises tenders for ARVs and other life saving drugs, where domestic players are offered preferential terms.

Competitive Landscape – Generic Segment

South Africa also has an established local industry with the top-3 players being domestic companies. Aspen is the market leader in the generic segment with ~33% share followed by Cipla Medpro (16%) and Adcock Ingram (9%). Given the meaningful presence of Indian companies, South Africa features among the top-3 export destinations from India after United States and Russia. Over the past five years, pharmaceutical exports to South Africa have grown at a CAGR (%) of 24% and were estimated to be around US$ 475 million in FY 2014 (8% of India's pharma exports). Among Indian firms, Cipla is one of the leading players in South Africa owing to its acquisition of Medpro. Cipla Medpro is the 2nd largest player in the generic segment and 3rd largest overall in South Africa. Apart from Cipla, Lupin also has a considerable presence in South Africa by virtue of its acquisition of Pharma Dynamics (PD). After acquiring PD in 2008, Lupin has steadily scaled-up its revenues (up 300% in five years) driven by focus on chronic therapies. Among other firms, Ranbaxy and Dr. Reddy's are also positioned among the top-10 generic companies in South Africa with business model focused on branded generics and ARV tender supplies to some extent.

Regulatory Landscape & Challenges

Although generic segment is poised for steady growth, weak economic fundamentals are likely to put pressure pharmaceutical sales given the dependence on-out-of pocket on healthcare spending. The depreciation of South African Rand is likely to further add to pressure on margins of foreign pharma companies operating in South Africa. Over the past 12 months, the Rand has continued to trade weaker, declining by ~10% against major currencies. However, the adverse impact of lower realizations for foreign pharma companies is mitigated to some extent by the fact the domestic players operating in South Africa also depend on imported APIs, which become costlier owing to currency depreciation.

The South African pharmaceutical market is also exposed to evolving regulatory developments, which can influence the operating environment for pharma companies. Some of the key reforms being evaluated by the government include a) introduction of international benchmarks for pricing, b) prohibition medicine supplies based on incentive schemes, and c) rational price hikes for essential drugs.

Emerging Markets- Middle East and North African

Structural growth drivers are intact but political instability remains a challenge

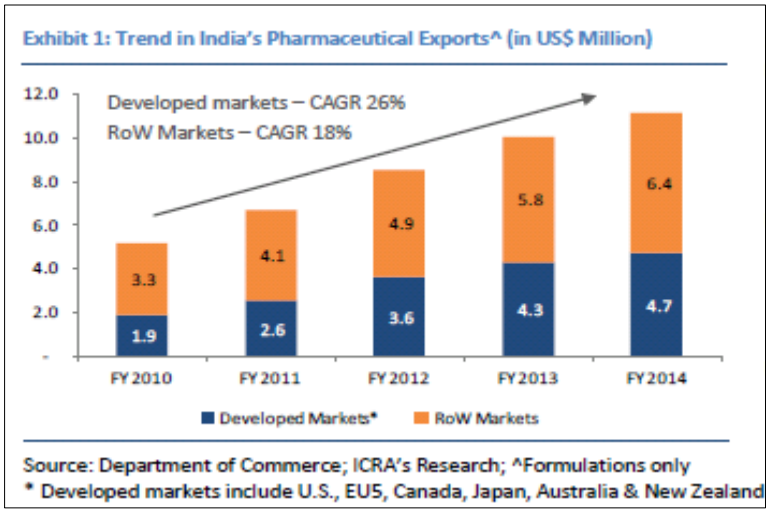
The Middle East and North African (MENA) region also represents an important market segment for Indian pharma companies. Driven by a convergence of demographic changes, increased healthcare investments, and rising demand for drugs to treat chronic diseases, this region potentially represents a US$ 20-25 billion opportunity by 2020. At present, the private pharmaceutical segment in the top nine markets is estimated to be ~US$ 11 billion in size with Saudia Arabia, Egypt, Algeria, UAE and Morroco being the top-5 important markets.

Growth rates vary across MENA region

Although most of the countries in the region have been focusing on expanding investments in the healthcare space, the growth rates vary quite sharply across the region. For instance, the pharmaceutical industry in the top-9 markets have grown anywhere between 2-17% CAGR over the past three years (CY 2011-13). While markets like UAE, Saudi Arabia and Lebanon have grown in double digit terms, pharmaceutical sales in countries like Morocco and Egypt have been affected by lingering political instability and challenges in providing adequate healthcare services, respectively. With region's high dependence on oil exports, the recent sharp drop in crude oil prices present a further challenge as it could lead to lower healthcare budgets by some nations. Nonetheless, the relatively low spending on healthcare, sizeable aging population and focus to reduce reliance in costlier branded or innovator drugs are likely to drive demand for cost effective generic drugs in the region.

(Source: Indian Pharmaceutical Industry- An Update on Emerging Markets– A Key Export Destination, ICRA Research Services, www.icra .in)

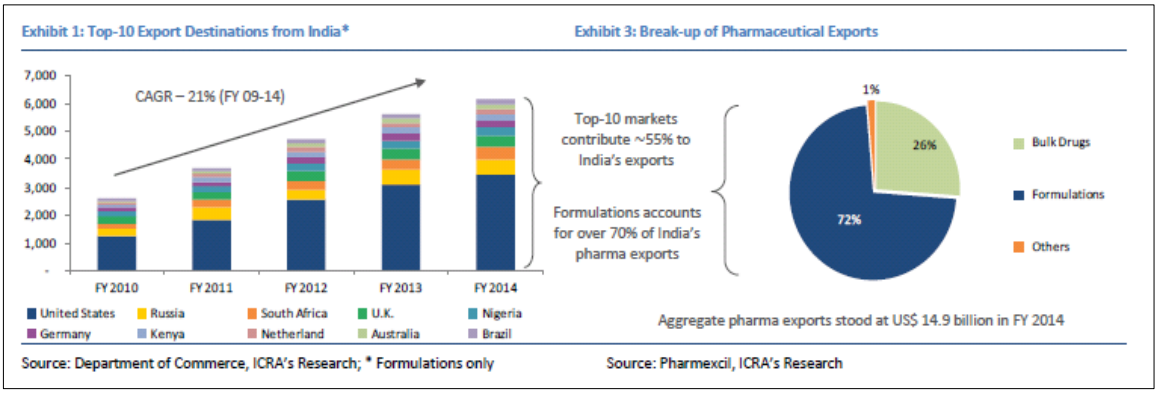
EVOLVING GENERIC OPPORTUNITIES OF INDIAN FIRMS HAVE SUPPORTED GROWTH IN PHARMA EXPORTS



(Source: Indian Pharmaceutical Industry- An Update on Emerging Markets– A Key Export Destination, ICRA Research Services, www.icra .in)

Emerging markets have also been a sustainable source of growth

- India's pharmaceutical exports have grown at CAGR of 14% over the past five years (i.e. FY 2009-14) to touch US$14.9 billion in FY 2014. With steadily expanding generic opportunities on back of patent expiries in the U.S. and increasing focus of Indian companies, formulations exports have grown at a much faster pace (up 21%) and now contribute over 70% to India's pharma exports.
- While exports to developed markets have been the key growth driver (up 26% in past five years), emerging markets too have contributed meaningfully. Aided by expanding geographical reach, product portfolio and cost-competitive R&D and manufacturing capabilities, India's exports to emerging markets have grown at CAGR of 18% over the past five years.
- Although U.S. contributes nearly 1/3rd to India's pharma exports, some of the key emerging markets such as Russia, South Africa and Brazil now feature among the top- 10 export destinations from India. Collectively, emerging markets also contribute to almost 20% to revenues of top-10 pharma companies, which also reflects the impact of in-organic investments by Indian companies in some of the key markets.



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INDIAN PHARMACEUTICALS INDUSTRY

Introduction

The Indian pharmaceuticals market is the third largest in terms of volume and thirteenth largest in terms of value#. Branded generics dominate the pharmaceuticals market, constituting nearly 70 to 80 per cent of the market. India is the largest provider of generic drugs globally with the Indian generics accounting for 20 per cent of global exports in terms of volume. Of late, consolidation has become an important characteristic of the Indian pharmaceutical market as the industry is highly fragmented.

India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers who have the potential to steer the industry ahead to an even higher level. Presently over 80 per cent of the antiretroviral drugs used globally to combat AIDS (Acquired Immuno Deficiency Syndrome) are supplied by Indian pharmaceutical firms.

The UN-backed Medicines Patent Pool has signed six sub-licences with Aurobindo, Cipla, Desano, Emcure, Hetero Labs and Laurus Labs, allowing them to make generic anti-AIDS medicine Tenofovir Alafenamide (TAF) for 112 developing countries.

Market Size

The Indian pharma industry, which is expected to grow over 15 per cent per annum between 2015 and 2020, will outperform the global pharma industry, which is set to grow at an annual rate of 5 per cent between the same period##.The market is expected to grow to US$ 55 billion by 2020, thereby emerging as the sixth largest pharmaceutical market globally by absolute size*. India has also maintained its lead over China in pharmaceutical exports with a year-on-year growth of 7.55 per cent to US$ 12.54 billion in 2015, according to data from the Ministry of Commerce and Industry.

Overall drug approvals given by the US Food and Drug Administration (USFDA) to Indian companies have nearly doubled to 201 in FY 2015-16 from 109 in FY 2014-15 an increase of 84 per cent as per analysis by USFDA.

India's biotechnology industry comprising bio-pharmaceuticals, bio-services, bio-agriculture, bio-industry and bioinformatics is expected grow at an average growth rate of around 30 per cent a year and reach US$ 100 billion by 2025. Biopharma, comprising vaccines, therapeutics and diagnostics, is the largest sub-sector contributing nearly 62 per cent of the total revenues at Rs 12,600 crore (US$ 1.9 billion).

Investments

The Union Cabinet has given its nod for the amendment of the existing Foreign Direct Investment (FDI) policy in the pharmaceutical sector in order to allow FDI up to 100 per cent under the automatic route for manufacturing of medical devices subject to certain conditions.

The drugs and pharmaceuticals sector attracted cumulative FDI inflows worth US$ 13.85 billion between April 2000 and March 2016, according to data released by the Department of Industrial Policy and Promotion (DIPP).

Some of the major investments in the Indian pharmaceutical sector are as follows:

- International Finance Corporation (IFC), the investment arm of the World Bank, plans to invest upto US$ 75 million in Glenmark, which is looking to raise around US$ 200 million for expansion and the launch of several new products in India and other emerging markets over the next three years.
- Cipla Limited, one of India's leading pharmaceutical firms, plans to invest around Rs 600 crore (US$ 88.94 million) to set up a biosimilar manufacturing facility in South Africa for making affordable cancer drugs and growing its presence in the market.

- RusanPharma, a firm which specialises in de-addiction and pain management products, plans to invest Rs 100 crore (US$ 14.82 million) in a Research and Development (R&D) centre and a manufacturing unit in Kandla, located in Kutch District in Gujarat.
- Pink Blue Supply Solutions Pvt. Ltd, a clinical supplies provider, has raised Rs 1.5 crore (US$ 0.22 million) in a seed round of funding from TermSheet.io, a transaction-focused service provider for start-ups and investors.
- The Medicines Patent Pool (MPP) has signed a licencing agreement with six Indian drug makers for the generic manufacturing of four antiretrovirals (ARV) and hepatitis C direct-acting antiviral drug Daclatasvir.
- Dr Reddy's Laboratories, one of the major pharmaceutical companies of India, has entered into a strategic collaboration agreement with Turkey-based TR-Pharm, to register and subsequently commercialise three biosimilar products in Turkey.
- Lupin has completed the acquisition of US-based GAVIS Pharmaceuticals in a deal worth US$ 880 million, which is expected to enhance its product pipeline in dermatology, controlled substances and high-value speciality products.
- Cipla Ltd, one of the major pharmaceutical and biotechnology companies in India, has acquired two US-based generic drug makers, InvaGen Pharmaceuticals Inc. and Exelan Pharmaceuticals Inc., for US$ 550 million, which is expected to strengthen Cipla's US business.
- Emcure Pharmaceuticals has acquired Canada's International Pharmaceutical Generics Ltd and its marketing arm Marcan Pharmaceuticals in order to boost its global expansion drive.
- Cipla announced the acquisition of two US-based companies, InvaGen Pharmaceuticals Inc. and Exelan Pharmaceuticals Inc., for US$550 million.
- Glaxosmithkline Pharmaceuticals has started work on its largest greenfield tablet manufacturing facility in Vemgal in Kolar district, Karnataka, with an estimated investment of Rs1,000 crore (US$ 148.24 million).
- Lupin has acquired two US based pharmaceutical firms, Gavis Pharmaceuticals LLC and Novel Laboratories Inc, in a deal worth at US$ 880 million.
- Several online pharmacy retailers like PharmEasy, Netmeds, Orbimed, are attracting investments from several investors, due to double digit growth in the Rs 97,000 crore (US$ 14.38 billion) Indian pharmacy market.
- StelisBiopharma announced the breakthrough construction of its customised, multi-product, biopharmaceutical manufacturing facility at Bio-Xcell Biotechnology Park in Nusajaya, Johor, Malaysia's park and ecosystem for industrial and healthcare biotechnology at a total project investment amount of US$ 60 million.
- Strides Arcolab entered into a licensing agreement with US-based Gilead Sciences Inc to manufacture and distribute the latter's cost-efficient TenofovirAlafenamide (TAF) product to treat HIV patients in developing countries. The licence to manufacture Gilead's low-cost drug extends to 112 countries.
- CDC, the UK's development finance institution, invested US$ 48 million in NarayanaHrudayalaya hospitals, a multi-speciality healthcare provider, with an aim to expand affordable treatment in eastern, central and western India.
- Cadila Healthcare Ltd announced the launch of a biosimilar for Adalimumab - for rheumatoid arthritis and other auto immune disorders. The drug will be marketed under the brand name Exemptia at one-fifth of the price for the branded version-Humira. Cadila'sbiosimilar is the

first in class and an exact replica of the original in terms of safety, purity and potency of the product, claims the company.

- Torrent Pharmaceuticals entered into an exclusive licensing agreement with Reliance Life Sciences for marketing three biosimilars in India — Rituximab, Adalimumab and Cetuximab.
- Indian Immunologicals Ltd plans to set up a new vaccine manufacturing facility in Pondicherry with an investment of Rs 300 crore (US$ 44.47 million).
- SRF Ltd has acquired Global DuPont Dymel, the pharmaceutical propellant business of DuPont, for US$ 20 million.
- Intas Pharmaceuticals is the first global company to launch a biosimilar version of Lucentis, the world's largest selling drug for treatment of degenerative eye condition called Razumab.

Government Initiatives

The Addendum 2015 of the Indian Pharmacopoeia (IP) 2014, published by the Indian Pharmacopoeia Commission (IPC) on behalf of the Ministry of Health & Family Welfare, is expected to play a significant role in enhancing the quality of medicines that would in turn promote public health and accelerate the growth and development of pharmaceutical sector.

The Government of India unveiled 'Pharma Vision 2020' aimed at making India a global leader in end-to-end drug manufacture. Approval time for new facilities has been reduced to boost investments. Further, the government introduced mechanisms such as the Drug Price Control Order and the National Pharmaceutical Pricing Authority to deal with the issue of affordability and availability of medicines.

Some of the major initiatives taken by the government to promote the pharmaceutical sector in India are as follows:

- Government of India's decision to increase Foreign Direct Investment (FDI) in existing pharmaceuticals companies to 74 per cent is expected to boost Mergers and Acquisitions (M&As) and Private Equity (PE) investments in the pharmaceuticals sector in the country.
- Indian Pharmaceutical Association (IPA), the professional association of pharmaceutical companies in India, plans to prepare data integrity guidelines which will help to measure and benchmark the quality of Indian companies with global peers.
- The Government of India plans to incentivise bulk drug manufacturers, including both state-run and private companies, to encourage 'Make in India' programme and reduce dependence on imports of Active Pharmaceutical Ingredients (API), nearly 85 per cent of which come from China.
- The Department of Pharmaceuticals has set up an inter-ministerial co-ordination committee, which would periodically review, coordinate and facilitate the resolution of the issues and constraints faced by the Indian pharmaceutical companies.
- The Department of Pharmaceuticals has planned to launch a venture capital fund of Rs 1,000 crore (US$ 148 million) to support start-ups in the research and development in the pharmaceutical and biotech industry.
- Indian and global companies have expressed 175 investment intentions worth Rs 1,000 crore (US$ 148 million) in the pharmaceutical sector of Gujarat. The memorandums of understanding (MoUs) would be signed during the Vibrant Gujarat Summit.
- Telangana has proposed to set up India's largest integrated pharmaceutical city spread over 11,000 acres near Hyderabad, complete with effluent treatment plants and a township for employees, in a bid to attract investment of Rs 30,000 crore (US$ 4.48 billion) in phases.

Hyderabad, which is known as the bulk drug capital of India, accounts for nearly a fifth of India's exports of drugs, which stood at Rs 95,000 crore (US$ 14.08 billion) in 2014-15.

- At the launch of Cluster Development Programme of pharmaceutical sector, MrAnanth Kumar, Minister of Fertiliser and Chemicals, announced that six pharmaceutical parks will be approved and established this year which will have sufficient infrastructure and facilities for testing and treatment of drugs and also for imparting training to industry professionals.

Road Ahead

The Indian pharmaceutical market size is expected to grow to US$ 100 billion by 2025, driven by increasing consumer spending, rapid urbanisation, and raising healthcare insurance among others.

Going forward, better growth in domestic sales would also depend on the ability of companies to align their product portfolio towards chronic therapies for diseases such as such as cardiovascular, anti-diabetes, anti-depressants and anti-cancers that are on the rise.
The Indian government has taken many steps to reduce costs and bring down healthcare expenses. Speedy introduction of generic drugs into the market has remained in focus and is expected to benefit the Indian pharmaceutical companies. In addition, the thrust on rural health programmes, lifesaving drugs and preventive vaccines also augurs well for the pharmaceutical companies.
Exchange Rate Used: INR 1 = US$ 0.0148 as on July 11, 2016.

(Source: Pharmaceuticals, India Brand Equity Foundation, www.ibef.org)

SUPPLY DRIVERS OF INDIAN PHARMA SECTOR

Launch of patented drugs

- Following the introduction of product patents, several multinational companies are expected to launch patented drugs in India.
- Growth in the number of lifestyle diseases in India could boost the sale of drugs in this segment.

Medical infrastructure

- Pharma companies have increased spending to tap rural markets and develop better medical infrastructure.
- In 2015, Indo-UK healthcare agreed to invest USD1.63 billion to set up hospitals and the first hospital will set up in Punjab.
- Hospitals' market size is expected to increase by USD200 billion by 2024.

Scope in generics market

- India's generic drugs account for 20 per cent of global exports in terms of volume, making the country the largest provider of generic medicines globally.
- India's generics drug market accounts for around 70 per cent of the India pharmaceutical industry and it is expected to reach USD27.9 billion by 2020.

Over-The-Counter (OTC) drugs

- India's OTC drugs market is expected to rise at a CAGR of 16.3 per cent to USD6.6 billion over 2008–16
- Increased penetration of chemists, especially in rural regions, would increase the availability of OTC drugs in the country.

Patent expiry

- The total sales value of the drugs with expiring patent in 2015 is USD66 billion and drugs with expiry protection in 2014 valued around USD34 billion.
- The newly available market will be filled by generics, which would provide great opportunity to Indian companies.

(Source: Pharmaceuticals, India Brand Equity Foundation, www.ibef.org)

DEMAND DRIVERS OF INDIAN PHARMA SECTOR

Accessibility

- Over USD200 billion to be spent on medical infrastructure in the next decade.
- New business models expected to penetrate tier-2 and tier-3 cities.
- Over 160,000 hospital beds expected to be added each year in the next decade.
- India's generic drugs account for 20 per cent of global exports in terms of volume, making the country the largest provider of generic medicines globally.

Acceptability

- Rising levels of education to increase acceptability of pharmaceuticals.
- Patients to show greater propensity to self-medicate, boosting the OTC market.
- Acceptance of biologics and preventive medicines to rise.
- A skilled workforce as well as high managerial and technical competence.
- Surge in medical tourism due to increased patient inflow from other countries.

Affordability

- Rising income could drive 73 million households to the middle class over the next 10 years.
- Over 650 million people expected to be covered by health insurance by 2020.
- Government-sponsored programmes set to provide health benefits to over 380 million BPL people by 2017.
- By 2017, the government plans to provide free generic medicines to half the population at an estimated cost of USD5.4 billion.

Epidemiological factors

- Patient pool expected to increase over 20 per cent in the next 10 years, mainly due to rise in population.
- New diseases and lifestyle changes to boost demand.
- Increasing prevalence of lifestyle diseases.

(Source: Pharmaceuticals, India Brand Equity Foundation, www.ibef.org)

OUR BUSINESS

OVERVIEW

Having a vision to make lives healthy, happy and more meaningful by providing healthcare solutions, Sakar Healthcare Limited, was incorporated on March 26, 2004. Subsequently, our Company was converted into a public limited company and a fresh Certificate of Incorporation consequent upon change of name on Conversion to Public Limited Company dated March 27, 2015 was issued by the Registrar of Companies, Gujarat, Ahmedabad and the name of our Company has got changed to "Sakar Healthcare Limited".

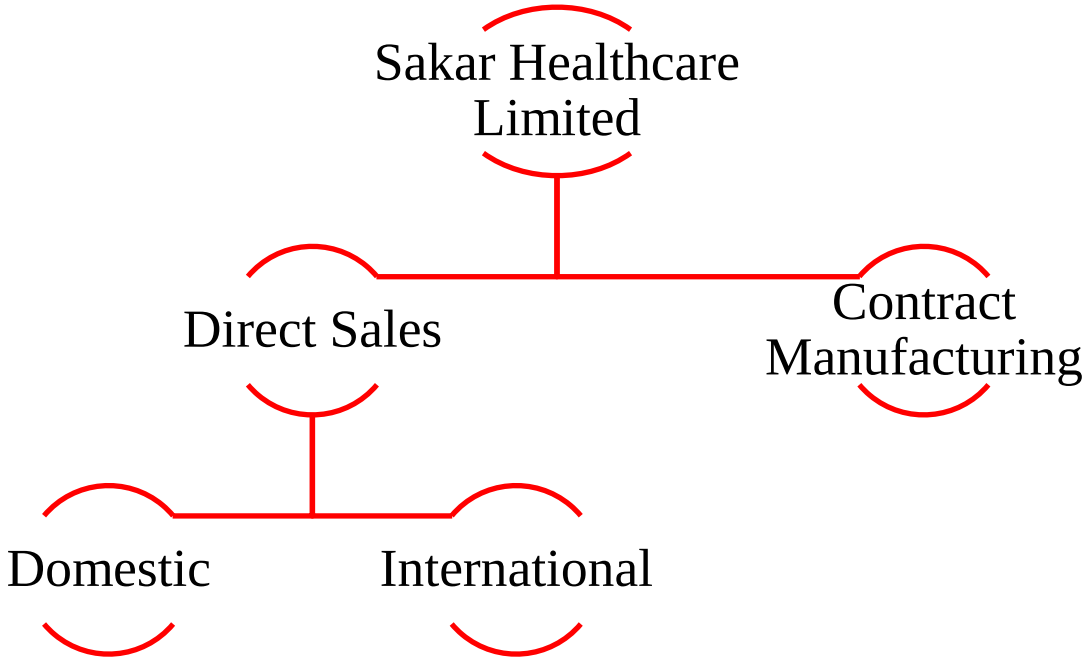
We are an Indian pharmaceutical company engaged in the manufacturing and marketing of our own pharmaceutical formulations for domestic and international markets. Our own Product domestic sales are generally exported by third party. We also undertake contract manufacturing of formulations for pharmaceutical companies based in India.

We manufacture and market pharmaceutical formulations relating to analgesics, antielminthics, anti coagulants, anti malarial, anti spasmodics, antianemics, antibiotics, anti-emetics, anti-histamines, bronchodilators, corticosteroids, cough and cold preparations, multivitamins, etc.

Our Company is managed by a team of professionals headed by our Managing Director having experience in manufacturing and export of pharmaceutical and health care products to various countries. Our preliminary business area and key focus was in contract manufacturing in the past years. As a contract manufacturer, our Company undertakes manufacturing on behalf of some of the leading pharmaceutical companies in India, in accordance with the terms of the relevant agreements entered into with these companies. However our own pharmaceutical formulation manufacturing and marketing has increased recently and we have also expanded our business to international markets. We have registered our products in various countries which are marketed through supply, distribution and other arrangements with various dealers / distributors. As of March 31, 2016 we have about 35 distributors in various markets, primarily in 20 emerging countries of Africa, Latin America, South East Asia and Middle East. We commenced our exports in the year 2007 and have achieved export sales of Rs. 1218.87 lakhs in the Financial Year ended March 31, 2016. Our manufacturing facilities are located at Changodar, Ahmedabad, Gujarat. Our facilities have been approved by various international regulatory authorities such as BVQI, WHO, GMP, CGMP and National Drug Authority of various countries including Nigeria, Ethopia, Ghana, Bolivia, Yemen and Philippines, Uganda, Ivory Coast, etc.

The Registered office and manufacturing facilities of our Company are located at Plot No. 10/13, Near M.N.Desai Petrol Pump, Sarkhej Bavla Highway, Changodar, Ahmedabad – 382 213, Gujarat. Our production facility is divided into four manufacturing plants namely Plant I, II, III and IV spread across 10,022 square meters having different product manufacturing capabilities and process. Each of the facilities is designed equipped and operated to deliver desired products.

OUR BUSINESS MODEL



We are engage in manufacturing and marketing of our own formulations for the Indian as well as global markets. The Table set forth below presents a breakdown of our sales in India and international markets, also expressed as a percentage of our revenue from operations, for fiscals 2012, 2013, 2014 2015 and 2016

REVENUE BREAK- UP

Particulars	For the Year Ended March 31,									
	2012		2013		2014		2015		2016	
	Rs. in Lakhs	% of Revenue from Operations	Rs. in Lakhs	% of Revenue from Operations	Rs. in Lakhs	% of Revenue from Operations	Rs. in Lakhs	% of Revenue from Operations	Rs. in Lakhs	% of Revenue from Operations
Direct										
Domestic (Majorily 3rd party exports)	372.22	61.30	1318.42	60.18	1640.22	55.26	2020.07	57.67	1996.01	48.42 %
Export	428.48	0.80	33.99	1.55	215.69	7.27	503.09	14.36	1218.87	29.57 %
Total (B)	**800.70**	**62.11**	**1352.41**	**61.73**	**1855.91**	**62.53%**	**2523.16**	**72.03%**	3214.88	77.98 %
Job work	818.46	37.89	838.29	38.27	1112.33	37.47%	979.57	27.97	907.72	22.02

										%
Total (A)	**818.46**	**37.89**	**838.29**	**38.27**	**1112.33**	**37.47%**	**979.57**	**27.97**	**907.72**	**22.02 %**
Revenue from operations	1619.16	100.00	2190.70	100.00	2968.24	100.00	3502.73	100.00	4122.6	100 %

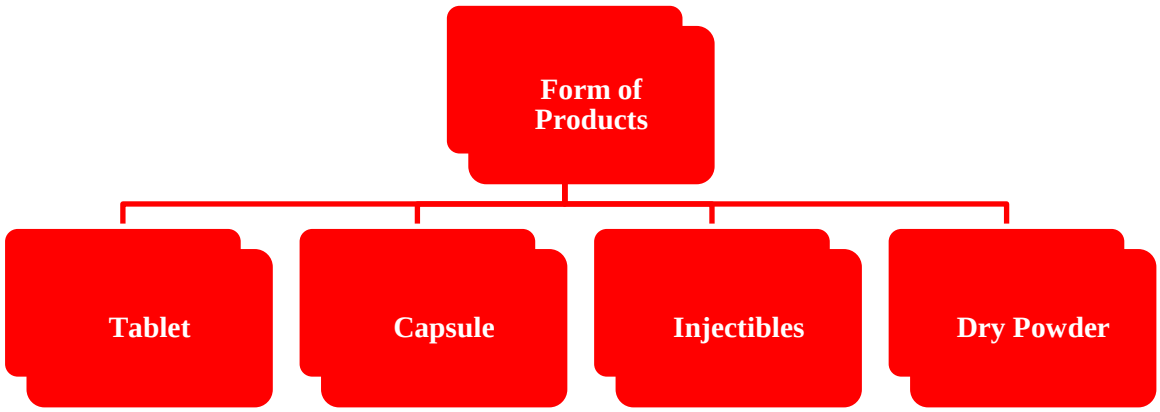
SALES ANALYSIS

Particulars	2016		2015		2014		2013		2012	
	Rs. in Lakhs	% of Revenue	Rs. in Lakhs	% of Revenue	Rs. in Lakhs	% of Revenue	Rs. in Lakhs	% of Revenue	Rs. in Lakhs	% of Revenue
Nigeria	217.36	5.27 %	240.34	6.86 %	114.32	4%	19.37	1%	Nil	Nil
Ethiopia	132.91	3.22 %	29.06	0.83 %	45.29	2%	Nil	Nil	Nil	Nil
France	17.51	0.42 %	29.18	0.83 %	Nil	Nil	Nil	Nil	Nil	Nil
Ghana	0	0%	0	0%	Nil	Nil	Nil	Nil	364.21	22 %
Uganda	105.01	2.55 %	3.69	0.11 %	Nil	Nil	Nil	Nil	Nil	Nil
Guyana	6.8	0.16 %	10.26	0.29 %	Nil	Nil	Nil	Nil	Nil	Nil
Combodia	18.32	0.44 %	22.41	0.64 %	Nil	Nil	Nil	Nil	Nil	Nil
Mauritius	0	0%	14.96	0.43 %	Nil	Nil	Nil	Nil	Nil	Nil
Philippines	171.88	4.17 %	17.8	0.51 %	Nil	Nil	Nil	Nil	Nil	Nil
Hongkong	0	0%	16.98	0.48 %	Nil	Nil	Nil	Nil	Nil	Nil
Bolivia	42.33	1.03 %	40.71	1.16 %	Nil	Nil	Nil	Nil	Nil	Nil
Malawi	17.63	0.43 %	9.12	0.26 %	Nil	Nil	Nil	Nil	Nil	Nil
Praguay	17.00	0.41 %	24.9	0.71 %	Nil	Nil	Nil	Nil	Nil	Nil
Cyprus	0	0%	43.68	1.25 %	Nil	Nil	Nil	Nil	Nil	Nil
Other African Countires	0	0%	0	0%	56.08	2%	14.62	1%	64.27	4%
Rd Congo	98.07	2.38 %	0	0%	Nil	Nil	Nil	Nil	Nil	Nil
Myanmar	149.75	3.63 %	0	0%	Nil	Nil	Nil	Nil	Nil	Nil
Mali	27.82	0.67 %	0	0%	Nil	Nil	Nil	Nil	Nil	Nil
Vietnam	126.79	3.08 %	0	0%	Nil	Nil	Nil	Nil	Nil	Nil

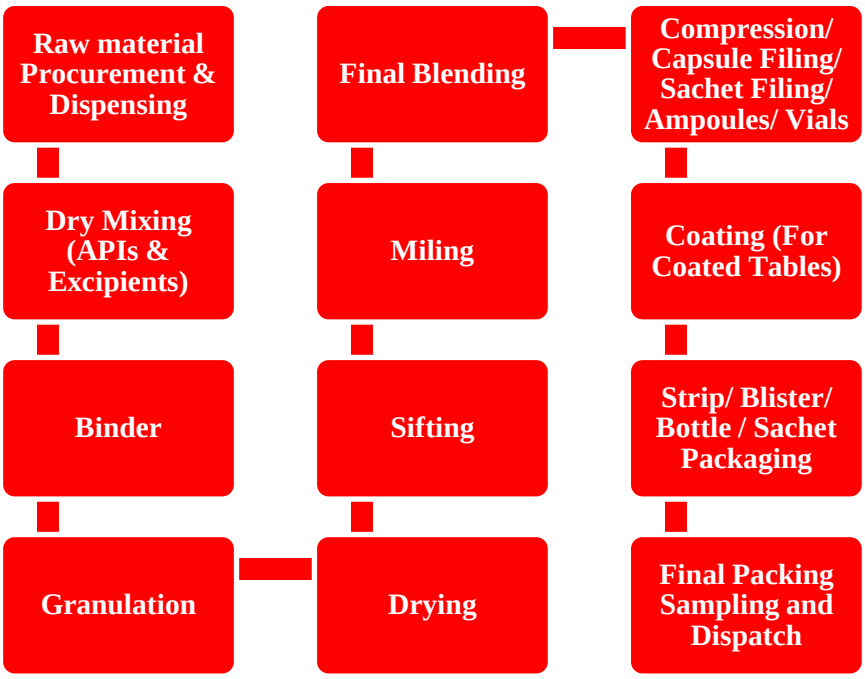
Kenya	21.11	0.51 %	0	0%	Nil	Nil	Nil	Nil	Nil	Nil
Cameroon	48.58	1.18 %	0	0%	Nil	Nil	Nil	Nil	Nil	Nil
Total	**1218.87**	**29.55%**	**503.09**	**14.36%**	**215.69**	**8.00 %**	**33.99**	**2.00 %**	**428.48**	**26.00 %**

BRIEF MANUFACTURING PROCESS

Forms Of Product



The manufacturing process of Formulations differs from product to product i.e. between Tablets, Injectibles (Liquid or Dry Powder), Capsules and Powders. However, it typically involves a fixed series of steps under controlled conditions of temperature, relative humidity, hygiene and specific classified conditions to manufacture the finished products. For each product, we identify several alternative specification of manufacturing process and choose the most appropriate for the situation, viz., Stability during shelf life, economic, patent non-infringing, achieving a desired quality standard, environment impact, etc. It is then suitably packed in different packaging material like Strip Packing, Blister Packing, Bottle packing or Sachets depending on the requirements of the customer. The basic series of process for manufacturing is as follows



F. ORAL LIQUID

The dedicated Oral Liquid Products are manufactured in a controlled air environment under strict hygienic conditions, on fully automatic line. It is a fully automatic line from initial bottle washing up to the final packaging of the products. We have made efforts to secure a no contamination in order to achieve desired quality of the products. Further, we are having in-house facilities for manufacturing Pet Bottles on Fully Automatic Blowing Machine. The production process in this plant is suitable for both pet and glass bottles.

G. CAPSULES:

Our Company has automatic capsule filling machine which is suitable for filling powders and pellets. The machine is functional in use as they have capabilities for output and over rules handy operations. It also conforms to the GMP guidelines with various safety features for maximum protection. Capsule fillers are used to fill gelatin with pre determined quantity of liquids, powders, pellets, tablets. Capsules are normally fed into the machine, the filler then align, opens and accurately fills each capsule and recloses. Fillers generate minimum dust with lowest level of product loss. Non-separated, double loaded capsules and improperly inserted capsules are automatically rejected by machines to maintain the consistency in the quality of product. Most capsule fillers are characterized with fast changeover time to accommodate a variety of capsules in terms of shapes and size.

These machines requires minimal maintenance and easy to clean. Also, the installation of speed adjusting equipment and automatic counters ensures the right quantity of capsules being filled and packed.

H. TABLETS:

The manufacture of tablets is a complex multi-stage process under which the materials change their physical characteristics a number of times before the final dosage form is produced. The tablets have been made by granulation; wet granulation and dry granulation. Regardless of whether tablets are made by direct compression or granulation, the steps of milling and mixing is the same. Numerous unit processes are involved in making tablets, including particle size reduction and sizing, blending, granulation, drying, compaction, and (frequently) coating.

I. INJECTIBLES

Injectable drug products are developed into several different types depending upon the characteristics of the drug, the desired onset of action of the drug, and the desired route of administration. Once the pre-formulation and formulation studies have identified a suitable drug product, the next step includes learning how the formulation behaves/interacts in an aseptic manufacturing facility. At this point in the manufacturing process the formulated drug product enters the clean room. It remains under these conditions until the product is filled, stoppered, and capped. Microfilters are used to remove particles in the 0.1 to 10 micron size range from the formulated drug product. The next step in the process is to sterilize the solution using one of the filters. Once the product has been filtered into a sterile filling container and the filter passes the post-fill integrity test, it is now ready to fill into its primary container. Sterile tubing is placed into the sterile solution, which leads first to pumps and then to filling needles. Once the vials have been filled, they travel down the filling line to have pre-sterilized stoppers inserted. Caps are used to secure the stopper in the neck of the vial to prevent the stopper from coming out either over time or during handling. After the product has been manufactured, tested, it moves to Inspection. Once the product is released from Inspection, it moves to Labeling. After labeling, the product is packaged.

J. DRY POWDER

At first weighing and dispensing of all ingredients takes place required for manufacturing dry powder. Filtering of ingredients is done using a mechanical shifter. After filtering all the ingredients the powder is transferred to drum mixer. Drum mixer’s provide efficient mixing and leave very little

build up within the mixer. The drum mixers are configured in such a manner that proper mixing and as desired quality control of the end product is attained. The next step is filling and scaling of dry powder manufactured by automatic machine into the bottles. These bottles are then labelled using automatic labelling machine. After these bottles are labelled packing and cartoning of these bottles takes place using packing and cartoning machine.

OUR PRODUCTS:

Set out below is a brief description of our main product areas:

1. *Antibiotics*

Antibiotics or antibacterials are a type of antimicrobial used specifically against bacteria, and are often used in medical treatment of bacterial infections. They may either kill or inhibit the growth of bacteria. Our products in this therapy area are Amoxicillin, Clavulanic Acid, Cefixime, Cefuroxime, Cefpodoxime and Cefalexin

2. *Antimalarial medications*

Antimalarial medications, also known as antimalarials, are designed to prevent or cure malaria. Such drugs may be used for treatment of malaria in individuals with suspected or confirmed infection, prevention of infection in individuals visiting a malaria-endemic region and routine intermittent treatment of certain groups in endemic regions. Our products in this therapy area are Alpha Beta Arteether, Artemether and Quinine.

3. *Analgesic*

An analgesic, or painkiller, is any member of the group of drugs used to achieve analgesia — relief from pain. Analgesic drugs act in various ways on the peripheral and central nervous systems. They are distinct from anesthetics, which reversibly eliminate sensation. Our products in this therapy area are Diclofenec, Pentazocine and Tramadol.

4. *Anti-histamines*

Antihistamines are drugs that inhibit the action of histamine in the body by blocking the receptors of histamine. There are two types of histamine receptors H1 and H2. When H1 receptors are stimulated by histamine it may produce allergic reactions such as itching, hay fever and rash or hives. Our product in this therapy area is Cetirizine Hydrochloride.

5. *Anthelmintic*

Anthelmintics or antihelminthics are drugs that expel parasitic worms (helminths) and other internal parasites from the body by either stunning or killing them and without causing significant damage to the host. Our product in this therapy area is Albendazole.

MANUFACTURING FACILITIES

Our manufacturing facilities are located at Changodar, Ahmedabad, Gujarat. Our facilities have been approved by various international regulatory authorities and certified by ISO 9001:2008 (BVQI), WHOGMP, CGMP & National Drug Authority, and we have also obtained certain drug specific registrations from the relevant authorities in countries such as Uganda, Kenya, Yemen, Ethiopia, Congo, Ghana, Zimbabwe, Namibia, Nigeria, Cote d'ivoire. We also cater to Srilanka, Philippines, Vietnam, Cambodia, Sudan, Myanmar, Bolivia, Burkina Faso, Tajikistan, Guinee, Gabon, Costa Rica, El-salvador, etc. in Latin America. Our manufacturing facilities are spread across total area of 10,022 square meters with four units having different product manufacturing capabilities and process. We believe that each of our facilities is designed, equipped and operated to deliver products within defined cost and delivery schedules.

Salient Features of our Manufacturing Plant

Plant 1 : Oral Liquid Unit

The dedicated Oral Liquid Products are manufactured, matching International Standards in a controlled air environment under strict hygienic conditions, by our personnel on Fully Automatic

Line. It is a fully automatic line from initial bottle washing up to the final packaging of the products. We have made efforts to secure a no contamination in order to achieve desired quality of the products. Further, we are having in-house facilities for manufacturing Pet Bottles on Fully Automatic Blowing Machine. The production process in this plant is suitable for both pet and glass bottles. Starting from a handy pack of 10 ml, the volume can go upto 200 ml under this plant.

Plant 2: Cephalosporin- Oral Solid Unit (Tablests, Capsules, Dry Syrup & Sachets)

We possess more than 40 products which are approved under WHO/ GMP Scheme. We have installed dedicated facility as per the norms of WHO, GMP & MHRA and started manufacturing Cephalosporin Oral Products. The facility at Changodar is with the latest technology, fully automatic operations from well-known Companies, has been approved by FDA & WHO. The procedure in this plant is suitable for different shapes, sizes and volumes for tablets as well as capsules which provides various options to the customers. We have separate lines for man and material movement and the entire production area is covered with High Efficiency Particulate (HEPA) filters which ensures filtered (dust free) air across the plant.

Plant 3 : Liquid Injectable Unit (SVP):

We possess more than 30 products in this category. Liquid Injectables is an integral part of the Company's business. All these 30 plus products being approved under the WHO/GMP Scheme. We have installed dedicated facility to manufacture Liquid Injectables in vials & ampoules. The company has installed two lines of 300 / minute in ampoule & one line of 300 / minute in vial. The facility has been designed as per the 'MHRA'. It holds the capacity of inspecting 18000 Ampoules per hour. The unit is suitable for making ampoules and vials varying between 1 ml to 30ml. The Company uses R.L.A.F for dispensing and sampling of raw material. We have separate lines for man and material movement and the entire production area is covered with High Efficiency Particulate (HEPA) filters which ensures filtered (dust free) air across the plant.

Plant 4 : Cephalosporin-Injectable Unit (Dry Powder)

In order to further expand our business, we have installed dedicated facility to manufacture Dry Powder Injectables in vials. The company has installed a line of 240 / minute. The facility has been designed as per the 'MHRA'. The procedure in this plant is suitable for different size for vials which provides various options to the customers. Process of this unit is suitable for 250 mg to 5 mg and can be filled in various quantity vials. The plant has separate air conditioned storage facilities for finished goods and raw materials with humidity control also.

PLANT WISE SALES

Table set forth below represents plant wise sales for last five years

Plant	For the year ended March 31,									
	2012		2013		2014		2015		2016	
	Rs in Lakhs	% of Revenue	Rs in Lakhs	% of Revenue	Rs in Lakhs	% of Revenue	Rs in Lakhs	% of Revenue	Rs in Lakhs	% of Revenue
Plant -1	399.40	26.70%	345.55	15.77%	472.57	15.92%	523.00	14.93%	1207.72	29%
Plant -2	638.84	39.46%	571.68	26.09%	1389.09	46.80%	1390.51	39.70%	866.37	21%
Plant -3	580.92	35.88%	923.99	42.18%	1066.42	35.92%	1304.88	37.25%	1468.07	36%
Plant -4	0.00	0.00%	349.48	15.95%	40.16	1.35%	284.34	8.12%	580.44	14%

Total	1,619.16	100.00	2190.70	100.00	2968.64	100.00 %	3502.73	100.00 %	4122.60	100%

CAPACITY UTILSATION

Set forth below in the table are the principal details with respect to each of our manufacturing facilities including the products manufactured at such unit and the capacity of each unit:

Facility	Product Manufactured	Year of establishment	Annual Capacity* (in units)	Capacity Utilisation for the year ended					
				March 14		March 15		March 16	
Plant 1	Liquid Orals	2005	1,38,24,000	86,39,281	62.49 %	1,17,50,400	85.00	1,30,85,108	94.66 %
Plant 2	Tables & Capsules	2008	5,76,00,000	266,42,256	46.25 %	2,01,60,000	35.00	1,99,37,802	34.61 %
	Dry Syrup/ Sachet		46,08,000	3,85,878	8.37 %	6,91,200	15.00	36,70,612	79.66 %
Plant 3	Liquid Injectables(SVP) Ampoules	2008	6,91,20,000	5,16,04,323	74.66 %	49,075,200	71.00 %	5,34,43,852	77.32 %
	Liquid Injectables(SVP) – Vials		3,45,60,000	2,18,65,970	63.27 %	20,736,000	60.00 %	94,68,668	27.40 %
Plant 4	Dry Powder Injection	2012	1,38,24,000	11,31,980	8.19 %	26,26,560	19.00 %	61,59,350	44.55 %
Overall Capacity Utilisation				**46.73%**		**56.98%**			

Proposed Capacity Utilisation (as per the Company's estimates) for the following three F.Y. are as set out in the tabulation below:

Facility	Product Manufactured	Annual Capacity* (in units)	Estimated Capacity Utilisation for the year ended					
			March 17		March 18		March 19	
Plant 1	Liquid Orals	1,38,24,000	1,31,32,800	95.00%	1,31,32,800	95.00%	1,31,32,800	95.00 %
Plant 2	Tables & Capsules	5,76,00,000	2,88,00,000	50.00%	3,45,600,000	60.00%	5,76,00,000	70.00 %
	Dry Syrup/ Sachet	46,08,000	11,52,000	25.00%	18,43,200	40.00%	46,08,000	50.00 %
Plant 3	Liquid Injectables(SVP) Ampoules	6,91,20,000	5,87,52,000	85.00%	5,87,52,000	85.00%	5,87,52,000	85.00 %
	Liquid Injectables(SVP) – Vials	3,45,60,000	2,41,92,000	70.00%	2,76,48,000	80.00%	2,76,48,000	80.00 %
Plant 4	Dry Powder Injection	1,38,24,000	48,38,400	35.00%	62,20,800	45.00%	1,38,24,000	55.00 %
	Lyophilisation	66,00,000	26,40,000	40.00%	36,30,000	55.00%	36,30,000	55.00 %

Overall Capacity Utilisation	**66.71%**	**66.71%**	

OTHER FACILITIES

1. Air Handlng Unit

The Air Handling System installed to maintain the temperature within the premises which includes climatic conditions, humidity controlled by dehumidifier, air flow etc. Clean Room AHU's are provided with appropriate pre-filters and terminal High Efficiency Particulate (HEPA) Air Filters. The clean rooms are maintained at appropriate air pressures to avoid contaminations and relative humidity.

2. Water System

The borewell is the main source of water supply at the unit. The store water is fed to multigrade filter then passes to the softener to Single pass RO and Double pass RO Storage tank and finally passing to the EDI System. The purified water obtained in this form has conductivity of less than 2 µs/cm. The Water For Injection generated is stored and continuously circulated at a set velocity (minimum 1.0 m/s) and above 80 degree temperature in a loop system from the storage tank.

OUR STRENGTHS

❖ **Our Manufacturing Facilities**

Our Company has manufacturing facilities at Changodar, Ahmedabad, Gujarat. Our Company's manufacturing facilities have been built in accordance with the WHO's cGMP guidelines. Our company presently manufactures multiple formulations under various therapeutic segments. The manufacturing facilities of the company are multiadaptable i.e. the facilities can produce multiple products using a combination of process. Our Company believes that its manufacturing facilities which have been equipped with latest technology machineries enable it to lower overall production costs, improve process efficiencies and produce high quality products exported as per the required standards of various countries.

❖ **Registered Products**

Our Company presently has 123 product registrations in various countries. The company dispatches currently to these countries only those products / brands which are registered in the respective countries.

❖ **Recurring business from existing customers**

Over a period of time, our Company has developed relationships with over 45 customers including several leading Indian as well as multinational pharmaceutical companies. Our top five customers have accounted for 37.70 % of our Company's net sales for the year ended March 31, 2016. Our top five customers have remained the same over the past 3 years. These relationships have been further strengthened on account of recurring business from such existing customers. We believe our operating experience and relationship with our customers has helped us in getting further orders and move higher in the value chain and improve our results of operations

❖ **Diversified product portfolio**

We manufacture a wide range of products in the formulation segment encompassing analgesics, antielminthics, anti coagulants, anti malarial, anti spasmodics, antianemics, antibiotics, anti-emetics, antihistamines, bronchodilators, corticosteroids, cough and cold preparations, multivitamins, etc. Our current portfolio of product registrations comprises mainly of 58 antibiotics, 10 analgasics, 6 anti-

histamines, 5 anthelmintics and 5 anti malarial drugs, which are marketed and sold domestically and internationally.

❖ **Experienced Promoters and Management Team**

Our Company has experienced management and employees in the business who are capable of meeting the requirements of our customers. Our experienced management and employees has assisted in expanding our business through proper customization under the guidance of our Managing Director and thereby increasing our revenues. Our Company believes that the skills, industry and business knowledge and operating experience of our senior executives, provide us with a significant competitive advantage as we are set to expand our existing business to newer geographic markets. We also have a qualified senior management team with diverse experience in the pharmaceutical industry, including in the areas of regulatory affairs, manufacturing, quality control, supply chain management, sales and marketing and finance.

OUR BUSINESS STRATEGIES

We intend to strengthen our position across identified pharmaceutical formulations in India and further expand our operations both in domestic and international markets in order to achieve long-term sustainable growth and increase shareholder value. Our principal strategies and initiatives to achieve these objectives are set out below.

- **Focus on increasing our export business**

We believe that our growth in international markets will result from the growing demand for generic pharmaceuticals, access to medicine and new product opportunities. Our manufacturing facilities complying international standard will help us to increase our international business. Our strategic initiatives for international markets include offering a wide product portfolio with a well established product pipeline to support the growth in our existing markets, developing a broader market

penetration strategy, territory-specific marketing and establishing our presence in developed markets such as Europe.

- **Expansion of business activity by tapping potential market in other parts of the Country**

  Considering the huge potential of the pharmaceutical industry in India and in order to capitalize on the growth, we intend to expand our operations to other regions of the country, besides the western region where we are currently present in order to expand our business.

- **Strengthening marketing capabilities**

  Our domestic and international marketing infrastructure consists of dedicated employees, who design various marketing and promotional strategies for our products. We believe that our strategic marketing, experienced sales team and distribution network would enable us to increase our sales across key pharmaceutical formulations. Our Company also intends to widen our distribution channels across various countries.

- **Access new markets through obtaining more certifications**

  Our Company aims to position itself as a preferred supplier, by increasing the number of registration and marketing activities of its existing and new products, in international markets.

- **Enhancing our manufacturing facilities by adding new lines of manufacturing for new products**

  Our Company intends to place an order for procurement of freeze dryer with a capacity of 22,000 vials per day. Our Company intends to introduce new manufacturing process "lyophilization" in order to expand the product portfolio and customer base. The Lyophilisation process ensures a longer shelf life and extended stability of the products. Our Company believes that this machinery will help us in increasing our revenue and profit margins significantly, since the products manufactured through this process are used in treating critical care illness. Our Company has proposed to utilize part of the Issue Proceeds towards procurement of this machinery

COLLOABORATIONS/TIE UPS/ JOINT VENTURES

As on the date of this Red Herring Prospectus, Our Company has not entered into collaboration / tie-ups/ joint ventures. However our Company does contract manufacturing for companies like Cadila Healthcare Limited, Merck Limited, Torrent Pharmaceuticals Limited, Intas Pharmaceuticals Limited, Ipca Laboratories Limited and Claris Injectables Limited etc in terms of the relevant agreements entered into with the customers.

POWER SUPPLY

We have arrangements for regular power and water supply at our factory premises. The total existing power requirement of our Company is around 650 kva. The requirement of power is met by supply from Uttar Gujarat Vij Company Ltd. In addition we have installed a total of three DG sets of 1,020 kva for providing standby power backup.

MARKETING

We have a marketing network for sales and marketing initiatives which helps us maintain and develop our relationships with our existing customers and procure orders from new customers. Our Company has an experienced marketing team and we regularly participate in various pharmaceutical conferences and exhibitions..

- **International Marketing**

  In recent past years, we have expanded our business to international market. In our international business, We started our export business in the year 2007 and we have crossed Rs. 1218.17 lakhs in export sales in the Financial Year ended March 31, 2016 Our Company has also appointed managers who are managing four regions covering over 20 countries. They plan shipment for entire year based on budget and getting it approved by convincing the counterparts.

❖ **Contract Manufacturing**

Our Company has been involved in the business of Contract Manufacturing of some of the leading pharmaceutical companies in India. In order to maintain and enhance this business, our promoter and marketing team regularly liaise connect the customers and adhere to their requirements.

RAW MATERIALS

Raw materials essential to our business are procured in the ordinary course of business from numerous suppliers. Our manufacturing processes require a wide variety of raw materials including APIs, excipients, essences, pharma-grade sugar, colorants, packaging materials (such as primary, printed and other materials) and approved rectified spirit. We purchase these raw materials from a list of sources that we maintain, which has been approved by our internal quality control department following set standards as well as by our customers. We carefully assess the reliability of all materials purchased to ensure that they comply with the desired quality and safety standards required for our products. We obtain most of our raw materials from Ahmedabad, Mumbai, Hyderabad and Chennai. 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.

INTELLECTUAL PROPERTY

We have applied for registration of the mark reflected herein in the name of our Company bearing registration number 2069102. Pursuant to the advertisement of our application 2069102 in the Trademark, the same was opposed by the Swiss Federal Institute of Intellectual Property, Stauffa Cherstrasse, Bern, Switzerland ("Opponent") stating that stating that one of the internationally recognized and acknowledged State emblem is the coat of arms of the Swiss Confederation (Swiss cross), which is used in the trademark. In response thereto, our Company has filed Form TM-6, being the form of counter statement, stating that it is ready to remove the Cross used in the trademark and is in process of amending the trademark before the trademark registry, Ahmedabad. In support whereof, our Company has also filed Form TM 16, being the form for correction of clerical error, or for amendment which has been filed with the trademark registry on December 23, 2015. The status of the trademark at the website of the trademark registry is currently reflected as 'opposed' and further procedure is awaited.

COMPETITION

Our Company operates in the pharmaceutical sector which faces competition from domestic as well as international players. Competition emerges not only from the organized and unorganized sector but also from small and big players. Its competitiveness depends on several factors including quality, price and customer service. Internationally, competition typically comes from low-cost operations in other emerging countries.

INSURANCE

All our assets including buildings, including compound walls, plant and machinery, electric installations, furniture and fittings and stocks are insured for perils such as fire, earthquakes, floods and storm depending on our risk assessment.

Policy No.	Issued by	Premium paid and insured amount	Risk covered	Place of Coverage	Expiry Date
141103/11/2015/479 read with	The Oriental Insurance	Rs.4.69 Lakhs and	Storm, Tempest,	Plot No. 10/13, Nr. M	October 21, 2016

141103/11/2016/499	Company Ltd.	Rs. 4021.00 Lakhs	Flood, Inundation, Hurricane, Cyclone, Typhoon and Tornado, Fire Basic, Earth Quake	N. Desai Petrol Pump, Sarkhej Bavla Highway, Changodar, Ahmedabad – 382 213, Gujarat, India.	

HUMAN RESOURCES

As of March 31, 2016, we had 243 permanent employees, which included corporate and managerial staff, production staff, sales and marketing staff, finance staff and other administrative staff. In addition to our own employees, our operations also involve additional workers who are hired on contract labor basis through registered contractors.

INFORMATION TECHNOLOGY

We have implemented information technology initiatives that improve efficiencies. Our Enterprise Resource Planning System assists across various functions, including finance and accounting, materials management, quality control/assurance, sales and distribution and production planning.

ENVIRONMENTAL MATTERS

We are subject to Indian national and state environmental laws and regulations, including regulations relating to the prevention and control of water pollution and air pollution, environment protection and hazardous waste management. We believe that we are in compliance with all applicable environmental standards

PROPERTY

Registered office and Factory Premise

Our registered office and factory premise are located at our freehold premises situated at Plot Nos. 9 AB, 10 and 13 of village: Changodar, taluka: Sanand, registration district and sub-district Ahmedabad.

KEY INDUSTRY REGULATIONS AND POLICIES

Except as otherwise specified in this Red Herring Prospectus, the Companies Act, 1956 / the Companies Act, 2013, We are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye–law. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in the pharmaceutical company engaged in manufacturing and marketing of their own pharmaceutical formulations for domestic and international markets industry. Taxation statutes such as the I.T. Act, and applicable Labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.

APPROVALS

For the purpose of the business undertaken by the Company, the Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable to the Company from time to time.. The details of such approvals have more particularly been described for your reference in the chapter titled "Government and Other Statutory Approvals" beginning on page number 250 of this Red Herring Prospectus.

APPLICABLE LAWS AND REGULATIONS

BUSINESS/TRADE RELATED LAWS/REGULATIONS

The Pharmacy Act, 1948

The Pharmacy Act was enacted on March 4, 1948 by the Indian Parliament to regulate the profession and practice of pharmacy. The Pharmacy Council of India was constituted for framing and implementing the Education Regulations for minimum qualifications required under the Act for a person to get himself / herself registered as a pharmacist. The Pharmacy Council of India after due inspection gives approval to the institutions who conduct courses of Diploma in Pharmacy or Degree in Pharmacy. The Act provides for the constitution of state pharmacy councils for 117 the maintenance of Registers of Qualified Pharmacists and to prohibit the dispensing of medicine on the prescription of a Medical Practitioner by the persons other than Registered Pharmacists.

The Drugs and Cosmetics Act, 1940 ("DCA")

The Drugs and Cosmetics Act, 1940 (the "DCA Act") regulates the import, manufacture, distribution and sale of drugs in India as well as aspects relating to instalment, packing and testing as well as matters pertaining to drug formulations, instalment and APIs. It provides the procedure for testing and licensing new drugs. These procedures involve obtaining a series of approvals for different stages at which the drugs are tested, before the Drug Controller General of India, an authority established under the DCA Act ("DCGI") grants the final license to allow the drugs to be manufactured and marketed. Obtaining an approval from DGCI involves an application to be made to the DCGI. Upon examining the medical data, the chemical data and the toxicity of the drug, the DCGI issues a no objection certificate. The no objection certificate allows the manufacturer of the drug to move on to the next stage of testing at the central drug laboratories. The drug is subject to a series of tests at the central drug laboratories, for its chemical integrity and analytical purity. If the drug meets the standards required by the authority, the authority issues a certificate in that respect.

The DCGI issues a manufacturing and marketing license in respect of APIs. These licenses are submitted by the company seeking to produce the drug, to the drug control administration of the state which clears the drug for manufacturing and marketing. The drug control administration also provides

the approval for technical staff as per the DCA Act and Drugs and Cosmetics Rules, 1945 framed under the legislation abiding by the WHO and CGMP inspection norms. The approvals for licensing are to be obtained from the drug control administration. The Central Drugs Standard Control Organisation ("CDSCO") is responsible for testing and approving APIs and formulations in consultation with the DCGI.

The approval process for conducting clinical trials, manufacturing and marketing of a drug depends on whether the drug is a new chemical entity or a Recombinant Deoxyribonucleic Acid ("RDNA") product. For new chemical entities, the DCGI is the approving authority. However, for RDNA products, applications have to be submitted to the Department Of Biotechnology ("DBT") after which they are processed for scientific, safety and efficacy issues by an advisory committee comprising the DBT, the chairman of the review committee on genetic manipulation, the DCGI, the Ministry of Health and Family Welfare, and other experts. If the advisory committee is satisfied, it then recommends the proposal to DCGI who then clears the proposal for Phase I clinical trials. The DCGI reviews the clinical data after every phase based on which it grants approval for entering into the next phase. The Phase III clinical data is 150 examined by the DCGI in consultation with the Genetic Engineering Approval Committee ("GEAC"). Thereafter, the DCGI grants the final approval for manufacturing and marketing the product.

According to the DCA Act and the applicable guidelines for generating pre-clinical and clinical data for RDNA based vaccines, diagnostics and other human clinical trials can be conducted in four sequential phases that may overlap under some circumstances:

• Phase I: In this phase, the drug or treatment is introduced into a small group of healthy human beings to evaluate its safety, determine a safe dosage range and identify its side effects.

• Phase II: This phase involves studies on a selected group of patients to identify possible adverse effects and risks, to determine the efficacy of the product for specific targeted diseases and to further evaluate its safety.

• Phase III: Pursuant to Phase II evaluations demonstrating that a dosage range of the product is effective and has an acceptable safety profile, further trials are undertaken on larger groups of patients to confirm their effectiveness, monitor side effects, compare it to commonly used treatments and collect information that will allow the drug or treatment to be used safely.

• Phase IV: In this phase, a study of post-marketing information with regard to the drug's risks, benefits and optimal use is carried out.

Further, the DCGI has vide a notification, made registration of human clinical trial mandatory from June 15, 2009, which will be applicable for clinical trials initiated after June 15, 2009.

Under the DCA Act, the Government may, by notification in the official gazette, regulate or restrict the manufacture, sale or distribution of a drug, if it is satisfied that such drug is essential to meet the requirements of an emergency arising due to epidemic or natural calamities and 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.

The Drugs and Cosmetics Rules, 1945 ("DC Rules")

The Drugs and Cosmetics Rules, 1945 enacted to give effect to the provisions of the DCA to regulate the manufacture, distribution and sale of drugs and cosmetics in India. The DC 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 DC 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 licences, the authority empowered to issue the same and the fees payable therefore. The DC 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 DC Rules further prescribe the manner of labelling and packaging of drugs. The DC Rules lay down the process mechanics and guidelines for clinical trial, including procedure for approval for clinical trials. Clinical trials require obtaining of free, informed and written consent from each study subject. The DC Rules also provide for compensation in case of injury or death caused during clinical trials. The Central Drugs Standard Control Organization has issued the guidance for industry for submission of clinical trial application for evaluating safety and efficacy, for the purpose of submission of clinical trial application as required under the DC Rules. The Indian Council of Medical Research has issued the Ethical Guidelines for Biomedical Research on Human Participants, 2006 which envisages that medical and related research using human beings as research participants must, necessarily, inter alia, ensure that the research is conducted in a manner conducive to, and consistent with, their dignity, well-being and under conditions of professional fair treatment and transparency. Further such research is subjected to evaluation at all stages of the same.

Essential Commodities Act, 1955

The Essential Commodities Act, 1955 (the "EC Act") is enacted to control the production, supply and distribution of trade and commerce in the essential commodities for maintaining or increasing supplies and for securing their equitable distribution and availability at fair prices. Section 3 of the EC Act confers wide powers on the Central Government to, inter alia, regulate the production or manufacture of any essential commodity, control the price at which any essential commodity may be bought or sold (in accordance with the directions issued by the Central Government). In furtherance of the above powers, the Central Government may order any person, engaged in the production of an essential commodity, to sell the same to the Central or State Government. Under Section 5, various powers of the Central Government under the EC Act have been delegated to the State Governments. Section 6 of the EC Act provides for seizure / confiscation of an essential commodity by a District Collector.

Legal Metrology Act, 2009

An act to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters incidental thereto. The part of metrology in relation to weighing and measuring units as well as methods of weighing and measuring instruments with the object of ensuring public guarantee and from the point of view of security and accuracy of weighing and measurement. Any weight or measure which conforms to the standard of such weight or measure and also conforms to such of the provisions of Sec. 7 as are applicable to it shall be the standard of weight or measure. Any numeral which conforms to the provisions of Sec. 6 shall be the standard numeral. It further provides that no weight, measure or numeral, other than the standard weight, measure or numeral shall be used as a standard weight, measure or numeral.

Every reference standard, secondary standard and working standard shall be verified and stamped in such manner and after payment of such fee as may be prescribed. Every reference standard, secondary standard and working standard which is not verified and stamped in accordance with the provisions shall not be deemed to be a valid standard. The provision relating to Use and Prohibition provides that no person shall, in relation to any goods, things or service quote, or make announcement of, whether by word of mouth or otherwise, any price or charge, or issue or exhibit any price list, invoice, cash memo or other document, or prepare or publish any advertisement, poster or other document, or indicate the net quantity of a pre-packaged commodity, or express in relation to any transaction or protection, any quantity or dimension, otherwise than in accordance with the standard unit of weight, measure or numeration.

No person shall manufacture, repair or sell, or offer, expose or possess for repair or sale, any weight or measure unless he holds a license issued by the Controller. No license to repair shall be required by a manufacturer for repair of his own weight or measure in a State other than the State of

manufacture of the same. The Controller shall issue a license in such form and manner, on such conditions, for such period and such area of jurisdiction and on payment of such fee as may be prescribed.

The Drugs (Price Control) Order, 2013 ("DPCO 2013")

The DPCO was issued by the Central Government under section 3 of the ECA and in supersession of the Drugs (Prices Control) Order, 1995, thereby giving effect to the 2012 Policy. The DPCO 2013, inter alia, provides that the Central Government may issue 94 directions to the manufacturers of active pharmaceutical ingredients or bulk drugs and formulations to increase production or sell such active pharmaceutical ingredient or bulk drug to such manufacturer of formulations and direct the formulators to sell the formulations to institutions, hospitals or any agency, procedures for fixing the ceiling price of scheduled formulations of specified strengths or dosages, retail price of new drug for existing manufacturers of scheduled formulations, method of implementation of prices fixed by Government and penalties for contravention of its provisions. The Government has the power under the DPCO 2013 to recover amounts charged in excess of the notified price from the manufacturer, importer or distributor and the said amounts are to be deposited in the Drugs Prices Equalization Account. The DPCO 2013 prescribes certain instances in which case the provision of the DPCO 2013 will not be applicable. These provisions are applicable to all scheduled formulations irrespective of whether they are imported or patented, unless they are exempted. However, the prices of other drugs can be regulated, if warranted in public interest.

The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954 ("DMRA")

DMRA seeks to control advertisements of drugs in certain cases and prohibits advertisement of remedies that claim to possess magic qualities. In terms of the DMRA, advertisements include any notice, circular, label, wrapper or other document or announcement. It also specifies the ailments for which no advertisement is allowed and prohibits advertisements that misrepresent, make false claims or mislead. Further, the Drugs and Magic Remedies (Objectionable Advertisements) Rules, 1955 have been framed for effective implementation of the provisions of the DMRA.

***The Narcotic Drugs and Psychotropic Substances Act, 1985* "NDPS Act"**

The NDPS Act has been enacted, inter alia to consolidate and amend the law relating to narcotic drugs, to make stringent provisions for the control and regulation of operations relating to narcotic drugs and psychotropic substances, to provide for the forfeiture of property derived from, or used in, illicit traffic in narcotic drugs and psychotropic substances and to implement the provisions of international conventions on narcotic drugs and psychotropic substances. The NDPS Act provides, inter alia, that no person shall produce, manufacture, possess, sell, purchase, transport, warehouse, use, consume, import inter-state, export inter-state, import into India, export from India any psychotropic substance, except for medical or scientific purposes and in the manner and to the extent provided by the provisions of the NDPS Act or this rules or orders made thereunder, and in a case where any such provision, imposes any requirement by way of licence, permit or authorisation also in accordance with the terms and conditions of such licence, permit or authorisation. Accordingly, the Central Government may, inter alia, permit and regulate the manufacture of manufactured drugs (other than prepared opium,) but not including manufacture of medicinal opium or any preparation containing any manufactured drug from materials which the maker is lawfully entitled to possess. Further, rules formulated under the NDPS Act prescribe, among others (i) the forms and conditions of licences for the manufacture of manufactured drugs, the authorities by which such licences may be granted and the fees that may be charged therefor, as also (ii) the forms and conditions of certificates, authorisations or permits, as the case may be, for such import, export or transhipment of narcotic drugs and psychotropic substances, the authorities by which such certificates, authorisations or permits may be granted and the fees that may be charged therefor. State Governments are also granted powers to permit, control and regulate possession, transport, purchase, sale, import inter-state, export inter-state, use or consumption of manufactured drugs other than prepared opium and of coca leaf and any preparation containing any manufactured drug.

National Pharmaceuticals Pricing Policy, 2012 (NPPP-2012)

The 2012 Policy replaces the drug policy of 1994 and presently seeks to lay down the principles for pricing of essential drugs specified in the National List of Essential Medicines – 2011 ("NLEM") declared by the Ministry of Health and Family Welfare, Government of India and modified from time to time, so as to ensure the availability of such medicines at reasonable price, while providing sufficient opportunity for innovation and competition to support the growth of the Industry. The prices would be regulated based on the essential nature of the drugs rather than the economic criteria/market share principle adopted in the drug policy of 1994. Further, the 2012 Policy will regulate the price of formulations only, through market based pricing which is different from the earlier principle of cost based pricing. Accordingly, the formulations will be priced by fixing a ceiling price and the manufacturers of such drugs will be free to fix any price equal to or below the ceiling price.

The National List of Essential Medicines, 2015

The National List of Essential Medicines, 2015("NLEM"), has been introduced to replace the National List of Essential Medicines, 2011. This new list provides for 376 drugs as essential instead of the earlier 348. A total of 106 medicines have been added, 70 medicines have been deleted to finalise the new list. The medicines in National List of Essential Medicines (NLEM) should be available at affordable costs and with assured quality. The medicines used in the various national health programmes, emerging and re-emerging infections should be addressed in the list. The Government of India, Ministry of Health & Family Welfare (MOHFW) is mandated to ensure the quality healthcare system by assuring availability of safe and efficacious medicines for its population.

Food Safety and Standard Act, 2006

The Food Safety and Standards Act, 2006 (the "FSSA") was enacted on August 23, 2006 with a view to consolidate the laws relating to food and to establish the Food Safety and Standards Authority of India (the "Food Authority") for setting out scientific 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 registering food businesses, general principles for 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 (the "FSSR") which were notified in the Gazette of India dated May 5, 2011 and 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', 'the food safety officer' and 'the food analyst' and procedures of taking extracts, seizure, sampling and analysis. The FSSA lays down penalties for various offences (including recall procedures).

The Food Authority has also framed the following food safety and standards regulations:

• 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 (Contaminants, Toxins and Residues) Regulations, 2011; and

• Food Safety and Standards (Laboratory and Sampling Analysis) Regulations, 2011.

The Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (COFEPOSA ACT)

COFEPOSA ACT came into force for the reason to provide preventive detention and to protect and augment the guidelines of foreign exchange. The Act also aims to control smuggling activities and other issues in relation to these activities. COFEPOSA ACT confers power on the Central and the State Governments to issue orders for detaining a person if it is satisfied that the person has acted detrimental to the protection and intensification of foreign exchange. The Government shall also issue order of detention on the ground that the person has engaged in the activity of smuggling goods, assists any person in smuggling goods, transports or conceals such goods, harbouring any person employed in the smuggling activities or does any other activity related with smuggling. Such an order shall be issued by the Joint Secretary to the Central Government or Secretary to the State Government or any senior officer authorized by the Government.

The Medicinal and Toilet Preparations (Excise Duties) Act, 1955 ("MTP Act")

MTP Act came into force on March 9, 1957. MTP Act is applicable to the whole of India. The objective of MTP Act is to levy and collect excise duties on medicinal and toilet preparations consisting of alcohol, opium, Indian hemp and narcotic substances. The seventh schedule also lists the same. Entry 84 of the Union List, which falls under seventh schedule of the Constitution of India, provides that the Union government would be the regulating authority for the imposition of excise duty on medicinal and toilet preparations consisting of alcohol, opium, Indian hemp and narcotic substances. Excise duty is a source of revenue for Government and is a form of indirect tax. It is charged on excisable goods produced and manufacture in India. The duty is not upon sale of goods. Therefore, MTP Act came into existence to manage and curb the alcohol and related goods consumption and to use it in an effective way.

The Sales Promotion Employees (Conditions of Service) Act, 1976

The Sales Promotion Act regulates the conditions of service of sales promotion employees and applies to pharmaceutical industry. It provides the conditions of appointment, leave and maintenance of registers and other documents of such employees. It provides enabling provision for application of the provisions of labour laws including The Workmen's Compensation Act, 1923, The Industrial Disputes Act, 1947, The Minimum Wages Act, 1948, The Maternity Benefit Act, 1961, The Payment of Bonus Act 1965 and The Payment of Gratuity Act, 1972 to sales promotion employees. The Sales Promotion Act provides monetary penalties for breach of its provisions.

Good Manufacturing Practice Guidelines (GMP)

These guidelines are provided under 'Schedule T' of Drug and Cosmetic Act, 1940. Good manufacturing practices (GMP) are the practices required in order to confirm the guidelines recommended by agencies that control authorization and licensing for manufacture and sale of food, drug products, and active pharmaceutical products. These guidelines provide minimum requirements that a pharmaceutical or a food product manufacturer must meet to assure that the products are of high quality and do not pose any risk to the consumer or public. Good manufacturing practices, along with good laboratory practices and good clinical practices, are overseen by regulatory agencies in various sectors in India.

Foreign Trade (Development and Regulation) Act, 1992

The Act for the Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and licence to import or export includes a customs clearance permit and any other permission issued or granted under this act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade (DGFT) for the purpose of Export-Import Policy formulation.

If any person makes any contravention to any law or commits economic offence or imports/exports in a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports then there shall be no Import Export Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In

case of appeals in a case the order made by the appellate authority shall be considered to be final. The powers of all the civil court under Code of Civil Procedure, 1908 shall vest in him.

The EXIM Policy is a set of guidelines and instructions established by the DGFT in matters related to the export and import of goods in India. This policy is regulated under the said act. Director General of Foreign Trade (herein after referred to as DGFT) is the main governing body in matters related to the EXIM Policy. The Act shall provide development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Trade Policy is prepared and announced by the Central Government (Ministry of Commerce).

Foreign Exchange Management Act, 1999

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999("FEMA") and the rules and regulations promulgated there under. The act aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not as certainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

FEMA Regulations

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India)Regulations, 2000 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India

The Micro, Small and Medium Enterprises Development Act, 2006

The Micro, Small and Medium Enterprises Development Act, 2006 as amended from time to time (***'MSMED Act'***) seeks to facilitate the development of micro, small and medium enterprises. The MSMED Act provides that where an enterprise is engaged in the manufacturing and production of goods pertaining to any industry specified in the first schedule to the Industries (Development and Regulation) Act, 1951, the classification of an enterprise will be as follows:

a. where the investment in plant and machinery does not exceed twenty-five lakh rupees shall be regarded as a micro enterprise;

b. where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees shall be regarded as a small enterprise;
c. Where the investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees shall be regarded as a medium enterprise.

The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority. While it is compulsory for medium enterprises engaged in manufacturing to submit the memorandum, the submission of the memorandum by micro and small enterprises engaged in manufacturing is optional. The MSMED Act defines a supplier to mean a micro or small enterprise that has filed a memorandum with the concerned authorities. The MSMED Act ensures that the buyer of goods makes payment for the goods supplied to him immediately or before the date agreed upon between the buyer and supplier. The MSMED Act provides that the agreed period cannot exceed forty five days from the day of acceptance of goods. The MSMED Act also stipulates that in case the buyer fails to make payment to the supplier within the agreed period, then the buyer will be liable to pay compound interest at three times of the bank rated notified by the Reserve Bank of India from the date immediately following the date agreed upon. The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council (***'Council'***). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

The act provides for appointment and establishment of National Board by the Central Government for MSME enterprise with its head office at Delhi. The Central Government may from time to time for the purpose of promotion and development of the MSME and to enhance the competitiveness in the sector organise such programmes, guidelines or instructions, as it may deem fit. In case of any offences under this act, no court inferior to that of Metropolitan Magistrate or Chief Metropolitan Magistrate shall try the offence under this act.

Gujarat Industrial Policy 2015

Gujarat has witnessed strong growth in Micro, Small & Medium Enterprises (MSMEs) sector which covers the medium sector of Gujarat. MSME sector has a special importance as this is the sector which belongs to common man. Gujarat Government wishes to strengthen the sector by making it more technology-driven. This type of support will come by bay of interest subsidy for manufacturing and service sector, venture capital assistance, quality certification, technology acquisition fund, patent assistance for national and international, energy and water conservation audit, market development assistance and support, MSMEs for credit rating, raising capital through MSE exchange, reimbursement of CGTSME scheme for collateral free loan, state awards under MSMEs and skill development etc. Support would also be extended for development of ancillary and auxiliary enterprises for labour intensive industries.

The Government of Gujarat, will constitute separate awards for MSMEs. The awards will be for achieving excellence through growth and production profit, quality improvement measures, Environment improvement measures and Innovation and new product/process/technology development. The policy encourages adoption of new and innovative technologies by providing financial support will be provided to each cluster for every innovative technology, setting up R&D Institutions, setting new laboratories, financial support through partial reimbursement of cost for filing domestic patents and international patents.

Gujarat government shall be taking market development initiatives with the intention of giving enhanced visibility to local produce from large industries and specifically from MSMEs. Government of Gujarat stresses on "Zero Defect" to produce globally-competitive, locally manufactured goods. One of the expansive marketing practices around the globe is participation in international and domestic trade fairs to show one's products or wares. Government of Gujarat will make market credit available to MSMEs.

Quality improvement is strongly envisaged in the new industrial policy. The assistance will be granted by national (approved by quality council of India) and international certification. The policy also intends to encourage use of enterprise resources planning system (ERP) for MSMEs. Government of Gujarat also provides assistance for raising capital through SME exchange on one time basis.

Competition Act, 2002

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

The prima facie duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General he shall be punishable with a fine which may exceed to Rs. 1 lakh for each day during such failure subject to maximum of Rupees One Crore.

GENERAL CORPORATE COMPLIANCE

The Companies Act, 2013

The consolidation and amendment in law relating to companies gives rise to amendment of Companies Act, 1956 and enactment of new law. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. After the enactment of this act, the company can even be formed by one person and such company is known as and it shall be known as One Person Company, a private company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act..

Further, Schedule V (read with sections 196 and 197), Part I lay down conditions to be fulfilled for the appointment of a managing or whole time director or manager. It provides the list of acts under which if a person is prosecuted he cannot be appointed as the director or Managing Director or Manager of the firm. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

EMPLOYMENT AND LABOUR LAWS

Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA") has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The CLRA vests the responsibility on the principal employer of an establishment to which the CLRA applies to make an application to the registered officer in the prescribed manner for registration of the establishment. In the absence of registration, a contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of the

contract labour, the CLRA imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the EPF Act")

The EPF Act is applicable to the establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund

Employees Provident Fund Scheme, 1952

The Central Government under section 5 of the EPF Act (as mentioned above) frames Employees Provident Fund Scheme, 1952. The Chairman of the Central Board shall call a meeting of the Board for the purpose of election to the Executive Committee of the members representing the employer or the employees as the case may be. In case of meetings a notice of not less than 15 days from the date of posting with all the required details of the meeting shall be dispatched by registered post or by special messenger to each trustee or the member of committee that are present in India. The provisions relating to Chairman presiding over the meeting or Quorum or nomination of the business are laid down under the scheme. A previous sanction of the Central Government for undertaking any work by the Central provident fund commissioner and the financial adviser. The act gives an express provision for classes of employees and membership of the fund

Employees Deposit Linked Insurance Scheme, 1976

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The Central Board may by resolution delegate all or any of its power to the Chairman or Commissioner or both, to sanction the expenditure on any single item. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

The Employees Family Pension Scheme, 1971

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

Employees' State Insurance Act, 1948 (the "ESI Act")

All the establishments to which the ESI Act applies are required to be registered under the ESI Act with the Employees State Insurance Corporation. This Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department. The Act was enacted with the motive of providing for certain benefits to employees in case of sickness, maternity, and employment

injury and to make for provision of certain other matters. There shall be for the purpose of administration of the scheme of Employees State Insurance in accordance with the provisions of this Act a Corporation to be known as Employees State Insurance Corporation. This corporation shall be a body corporate having perpetual succession and common seal. All contributions paid under this act and all other money received on behalf of the Corporation shall all be paid into a fund called the Employees State Insurance Fund

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment covered under this Act to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

Payment of Gratuity Act, 1972

The act deals with payment of gratuity to employees engaged in factories, mines and allied companies. A consolidated amount paid to a worker when he or she leaves employment after having worked for the employer prescribed minimum number of years is referred to as "gratuity". Thus it applies to our company. The act applies to every factory, mines, oilfield, plantation, port and railway company or every shop or establishment in which ten or more people are employed on any day in preceding twelve months. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five year period shall be relaxed in case of termination of service due to death or disablement.

Payment of Wages Act, 1936 ("Wages Act")

Payment of Wages Act, 1936 contains provisions as to the minimum wages that are to be fixed by the appropriate Governments for the employees, fixation and revision for the minimum wages of the employees, entitlement of bonus to the employees, fixing the payment of wages to workers and ensuring that such payments are disbursed by the employers within the stipulated time frame and without any unauthorized deductions.

Minimum Wages Act, 1948("MWA Act")

The Minimum Wages Act, 1948 ("MWA") came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

Maternity Benefit Act, 1961

The Maternity Benefits Act, 1961 the purpose of the Maternity Benefit Act is to regulate the employment of pregnant women and to ensure that they get paid leave for a specified period during and after their pregnancy. It provides, inter alia, for paid leave of 12 weeks, payment of maternity benefits and enacts prohibitions on dismissal, reduction of wages paid to pregnant women, etc.

Equal Remuneration Act, 1976

The Equal Remuneration Act, 1976 provides for payment of equal remuneration to men and women workers and for prevention of discrimination, on the ground of sex. It states that no employer shall pay to any worker, employed by him in an establishment or employment, remuneration, whether payable in cash or in kind, at rates less favourable than those at which remuneration is paid by him to

the workers of the opposite sex in such establishment or employment for performing the same work or work of a similar nature.

The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an "Internal Complaints Committee" and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

The Factories Act, 1948

The Factories Act, 1948 ("Factories Act") aims at regulating labour employed in factories. A "factory" is defined as "any premises...whereon ten or more workers are working or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on, or whereon twenty or more workers are working, or were 81 working on any day of the preceding twelve months, and in any part of which a manufacturing process is carried on without the aid of power, or is ordinarily so carried on...". The main aim of the said Act is to ensure adequate safety measures and to promote the health and welfare of the workers employed in factories initiating various measures from time to time to ensure that adequate standards of safety, health and welfare are achieved at all the places.

Under the Factories Act, the State Government may make rules mandating approval for proposed factories and requiring licensing and registration of factories. The Factories Act makes detailed provision for ensuring sanitary conditions in the factory and safety of the workers and also lays down permissible working hours, leave etc. In addition, it makes provision for the adoption of worker welfare measures. The prime responsibility for compliance with the Factories Act and the rules thereunder rests on the "occupier", being the person who has ultimate control over the affairs of the factory. The Factories Act states that save as otherwise provided in the Factories Act and subject to provisions of the Factories Act which impose certain liability on the owner of the factory, in the event there is any contravention of any of the provisions of the Factories Act or the rules made thereunder or of any order in writing given thereunder, the occupier and the manager of the factory shall each be guilty of the offence and punishable with imprisonment or with fine. The occupier is required to submit a written notice to the chief inspector of factories containing all the details of the factory, the owner, manager and himself, nature of activities and such other prescribed information prior to occupying or using any premises as a factory. The occupier is required to ensure, as far as it is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory.

Employee's Compensation Act, 1923

The Employee's Compensation Act, 1923 (―ECA‖) has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries by accident arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The ECA makes every employer liable to pay compensation in accordance with the ECA if a personal injury/disablement/ loss of life is caused to a workman (including those employed through a contractor) by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the ECA within one month from the date it falls due, the commissioner appointed under the ECA may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

Industrial (Development and Regulation) Act, 1951

The development and regulation of certain industries are governed under this act. For the purpose of advising on matters relating to relating to development and regulation, the central government may establish a council known as central advisory council. This council shall have not more than 31 members including the chairman who shall be appointed by the Central Government. Every industrial undertaking shall be registered within such period as the central government may notify in this regard. The Central Government has direct power to assume management or control of an industrial undertaking owned or for companies in liquidation.

Industrial Disputes Act, 1947 ("ID Act") and Industrial Dispute (Central) Rules, 1957

The ID Act and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The ID Act was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act 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 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 ID Act also sets out certain requirements in relation to the termination of the services of the workman. The ID Act 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

TAX RELATED LEGISLATIONS

Gujarat Value Added Tax Act, 2003 ("GVAT")

Gujarat Value Added Tax, 2003 (GVAT Act) is made effective in the state of Gujarat from 1st April, 2006. On its implementation following Acts are repealed.

- The Gujarat Sales Tax Act, 1969,
- The Bombay Sales of Motor Spirit Taxation Act, 1958,
- The Purchase Tax on Sugarcane Act, 1989.

However provisions relating to pending assessment, appeals, recovery etc., under the above Acts will survive The basic requirement of charging tax under GVAT Act is that where any sale in the course of business is affected, in the State of Gujarat, VAT is payable under GVAT Act. Transactions made in the course of business only are covered under the GVAT Act.

Central Sales Tax Act 1956)

The main object of this act is to formulate principles for determining (a) when a sale or purchase takes place in the course of trade or commerce (b) When a sale or purchase takes place outside a State (c) When a sale or purchase takes place in the course of imports into or export from India, to provide for Levy, collection and distribution of taxes on sales of goods in the course of trade or commerce, to declare certain goods to be of special importance trade or commerce and specify the restrictions and conditions to which State Laws imposing taxes on sale or purchase of such goods of special importance (called as declared goods) shall be subject. CST Act imposes the tax on interstate sales and states the principles and restrictions as per the powers conferred by Constitution.

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

5th / 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 half yearly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates.

Excise Regulations

The Central Excise Act, 1944 seeks to impose an excise duty on excisable goods which are produced or manufactured in India. The rate at which such a duty is imposed is contained in the Central Excise Tariff Act, 1985. However, the Indian Government has the power to exempt certain specified goods from excise duty by notification.

The Customs Act, 1962

All the laws relating to customs are consolidated under the Indian Customs Act, 1962. The officers of customs shall be appointed by the Central Government as it thinks fit. An officer of customs may exercise the powers and discharge the duties conferred on him. The provisions relating to appointment of customs ports, airports, warehousing stations are laid down under the act. There shall be absolute or partial prohibition on import or export of goods by the Central Government for maintenance of security in India. The interest on levy of or exemption of Customs duty is thus laid down under the act. The clearance of imported goods and export shall not apply to baggage and goods imported or to be exported by post.

Gujarat State Tax on Profession, Trades, Callings and Employment Act, 1976. And The Gujarat State Tax On Professions Traders, Callings and Employments Rules, 1976

Professional tax in Gujarat is governed by the Gujarat Panchayats, Muncipalities, Muncipal Corporation and State Tax on Professions, Traders, Callings and Employment Act, 1976 and rules of 1976. All registered partnership firms, all factory owners, all shops or establishment owners (if the shop has employed on an average five employees per day during the year), all businesses covered under the definition of dealer defined in the Gujarat Value Added Tax Act, 2003 whose annual turnover is more than Rs. 2.50 lakhs, all transport permit holders, money lenders, petrol pump owners, all limited companies, all banks, all district or state level co-operative societies, estate agents, brokers, building contractors, video parlors, video libraries, members of associations registered under Forward Contract Act, members of stock exchange, other professionals, like legal consultants, solicitors, doctors, insurance agents, etc are covered under this Act. It is duty of the employers to deduct tax from the person earning any salary/wage in the organisation. For the purpose of this act, employer means in relation to an employee earning any salary or wages on regular basis under him, means the person or the officer who is responsible for disbursement of such salary or wages, and includes the head of the office or any establishment as well as the manager of agent of the employer.

OTHER LAWS

Shops and establishments laws in various states

Under the provisions of local Shops and Establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

ENVIRONMENTAL LEGISLATIONS

The Environment Protection Act, 1986 ("Environment Protection Act")

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a frame work for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from

discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

Air (Prevention and Control of Pollution) Act, 1981

Air (Prevention and Control of Pollution) Act 1981("the Act") was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Act has declared several areas as air pollution control area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Act, if a person intends to commence an industrial plant in a pollution control area.

Water (Prevention and Control of Pollution) Act, 1974

The Water (Prevention and Control of Pollution) Act 1974 ("the Act") was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Act.

Water (Prevention and Control of pollution) Cess Act, 1977

The Central Government has the power to exempt the levy of water cess. The Central Government shall take into consideration nature of raw materials, effluents, source of water extraction, nature of effluent receiving bodies and production data. Schedule II of the act gives details regarding purpose for which water is consumed in different industries. The act lays down levy and collection of cess for the purpose of Water Act, 1974.

Hazardous Waste (Management and Handling) Rules, 1989

The Hazardous Waste (Management and Handling) Rules, 1989, as amended, impose an obligation on each occupier and operator of any facility generating hazardous waste to dispose of such hazardous wastes properly and also imposes obligations in respect of the collection, treatment and storage of hazardous wastes. Each occupier and operator of any facility generating hazardous waste is required to obtain an approval from the relevant state pollution control board for collecting, storing and treating the hazardous waste.

The Public Liability Insurance Act, 1991

This 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.

INTELLECTUAL PROPERTY LEGISLATIONS

In general the Intellectual Property Rights includes but is not limited to the following enactments:

- Indian Patents Act, 1970
- The Copyrights Act, 1957

- The Trademarks Act, 1999
- The Information Technology Act, 2000

Indian Patents Act, 1970

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

The Copyright Act, 1957

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

Trade Marks Act, 1999

The Trade Marks Act, 1999 (the "**Trade Marks Act**") provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

GENERAL LAWS

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, Sale of Goods Act 1930 and Consumer Protection Act 1986 are also applicable to the company.

POLICIES APPLICABLE

THE FOREIGN DIRECT INVESTMENT

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment **("FDI")** through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India **("DIPP"),** has issued consolidated FDI Policy Circular of 2016 **("FDI Policy 2016")**, which with effect from June 7, 2016, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. Further, DIPP has issued Press note 5, dated June 24, 2016 which introduces few changes in FDI Policy. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2016 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India **("RBI")** also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is 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. 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.

Under the current FDI Policy of 2016, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. FDI is permitted upto 100 % in Greenfield projects and 74% in Brownfield projects under the automatic route and FDI beyond 74% in Brownfield projects requires FIPB approval. FDI is permitted up to 100 percent under the automatic route in the hospital sector and in the manufacture of medical devices.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

CORPORATE PROFILE AND BRIEF HISTORY

Our Company was incorporated as "Sakar Healthcare Private Limited" at Ahmedabad, Gujarat as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 26, 2004 bearing corporate identification number U24231GJ2004PTC043861 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, our Company was converted into public company pursuant to shareholders resolution passed in the Extraordinary General Meeting held on March 09, 2015 and the Company was converted into a public limited Company vide fresh certificate of incorporation issued on March 27, 2015 by Registrar of Companies, Gujarat, Ahmedabad and the name of our Company was changed to "Sakar Healthcare Limited". The Corporate Identification Number of our Company is U24231GJ2004PLC043861.

Sanjay Shah, Rita Shah and Aarsh Shah are the promoters of our Company.

We are in the business of contract manufacturing of formulation for pharmaceutical companies based in india further we also undertake in the manufacturing and marketing of our own pharmaceutical formulations for domestic and international markets. wherever applicable, please refer to chapters titled *"Our Business", "Financial Statements as Restated", "Management's Discussion and Analysis of Financial Condition and Results of Operation", "Government and Other Statutory Approvals"* beginning on page 140, 201, 232 and 250 respectively.

For further details, please refer the chapter titled "*Capital Structure*" beginning on page 67 of this Red Herring Prospectus.

CHANGES IN OUR REGISTERED OFFICE:

The Registered Office of our Company is currently situated at Plot No. 10/13, Nr. M N. Desai Petrol Pump, Sarkhej Bavla Highway, Changodar, Ahmedabad – 382 213, Gujarat.

The registered office of our company was then shifted to:

Date	From	To	Reason
March 01, 2015	406, Silver Oaks, Mahalaxmi Cross Roads, Paldi, Ahmedabad – 380 007, Gujarat	10/13, Nr. M N. Desai Petrol Pump, Sarkhej Bavla Highway, Changodar, Ahmedabad – 382 213, Gujarat	For administrative convenience

KEY EVENTS AND MILESTONES

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

Year	Events
2004	Incorporation of our Company.
2005	Our Company received ISO Certification
2005	Our Company started commercial production for Plant – 1 which was established for production of Liquid Orals.
2005	Our Company started commercially selling its products.
2007	Our Company started exporting its products overseas.
2008	Our Company started commercial production for Plant – 2 which was established for production of Beta Lactum Tablet and Capsules and Dry Syrup B-lactum. / Sachet.
2008	Our Company started commercial production for Plant – 3 which was established for production of Liquid Injectibles (SVP) - Ampoules and Liquid Injectibles (SVP) - Vials.
2012	Our Company started commercial production for Plant – 4 which was established for production of Dry Powder Injection.

2015	Conversion of our Company to a public limited company.

OUR MAIN OBJECTS OF OUR COMPANY

The main objects of our Company, as contained in our Memorandum of Association, are as set forth below:

1. *To carry in India or elsewhere the business to manufacture, produce, process, prepare, treat, disinfect, compound, formulate, mix, concentrate, pack, repack, refine, add, remove, pure, preserve, grade, freeze, distillate, boil, sterilize, improve, extract, buy, sell, resell, import, export, barter, transport, store, forward, distribute, dispose, develop, research, discover, manipulate, market, supply and to act middlemen, jobworker or otherwise to deal in all types, descriptions, specifications, strengths and applications of ayurvedic, confectionery products, pharmacy and chemical products of medicaments in all its branches such as allopathic, ayurvedic, homeopathic, herbal, unani, siddha, bio-chemic etc., used for treatment, cure and healthcare of human beings and animals including, basic drugs, intermediates, tonics, antibiotics, enzymes, steroids, vitamins, harmones, biological and immunological chemicals, contraceptives, surgical plaster of Paris, surgical dressings, belladonna plasters, dressings, bandages, waddings, gauzes, adhesives, belts, sutures, ligatures, rubber goods, vaccines, toxins, ferments, yeasts, medical gases, oils and tinctures, medicinal products in all forms such as capsules, tablets, powders, ointments, syrups, injectibles, pills, fluids, granules, sprayers, inhalers, mineral waters, droppers, removers, veterinary medicines, poultry medicines, their by products, residues, mixtures, and compounds.*
2. *To carry on business of running nursing homes, clinics, pharmacies, indoor or outdoor hospitals, medical, anatomical, orthopedic, surgical and 'X' Ray units, laboratories, research establishments, nature cure centers and hospitals for eye, throat and nose diseases and to acquire land, building plants, equipments, accessories, instruments, gadgets, furniture and fittings, and other facilities for treatment and nursing of patients, of various types of diseases, ailments, sickness, illness and other body or mental troubles and to act as consultants in any and all branches of medical science.*
3. *To carry on business as producers, manufacturers, processors, converters, refiners, bottlers, stockists, dealers, importers, exporters, traders, retailers, agents, buyers, sellers of oxygen, acetylene, ammonia, carbon dioxide, nitrogen, hydrogen, helium and other types and kinds of gases required for or used in industries, agriculture, clinics, hospitals, refrigeration, aviation, transport vehicles, spare rockets and crafts communication, objects and media, power plants, domestic or public lighting, heating, cooling or cooking purposes, lighters, plants producing water, chemicals or fuels, pesticide, defence or warfare establishments, horticulture, forest or plant protection and growth and other allied purposes and to service, repair, manufacture, market or deal in machineries, plants, spare, cylinders, containers, gadgets, appliances and accessories required for, working on, using or producing any ofsuch gases and products.*

AMENDMENTS TO THE MOA OF OUR COMPANY SINCE INCORPORATION

Since incorporation, the following Changes have been made to our Memorandum of Association

Date of AGM / EGM	Changes
August 03, 2004	Increase of Authorised Capital from Rs. 1,00,000 consisting of 10,000 Equity Shares of Rs.10/- each to Rs. 70,00,000 consisting of 7,00,000 Equity Shares of Rs.10/- each.
March 23, 2006	Increase of Authorised Capital from Rs. 70,00,000 consisting of 7,00,000 Equity Shares of Rs.10/-each to Rs. 2,00,00,000 consisting of 20,00,000 Equity Shares of Rs.10/- each.
March 17, 2007	Increase of Authorised Capital from Rs. 2,00,00,000 consisting of 20,00,000 Equity Shares of Rs. 10/-each to Rs. 3,00,00,000 consisting of 30,00,000 Equity Shares of Rs.10/- each
March 15, 2008	Increase of Authorised Capital from Rs. 3,00,00,000 consisting of 30,00,000 Equity Shares of Rs. 10/-each to Rs. 5,00,00,000 consisting of 50,00,000 Equity Shares of Rs.10/- each.
March 28, 2009	Increase of Authorised Capital from Rs. 5,00,00,000 consisting of 50,00,000 Equity Shares of Rs. 10/-each to Rs. 7,00,00,000 consisting of 70,00,000 Equity Shares of Rs.10/- each.
August 18, 2009	Increase of Authorised Capital from Rs. 7,00,00,000 consisting of 70,00,000 Equity Shares of Rs. 10/-each to Rs. 8,00,00,000 consisting of 80,00,000 Equity Shares of Rs.10/- each.
February 25, 2015	Increase of Authorised Capital from Rs. 8,00,00,000 consisting of 80,00,000 Equity Shares of Rs. 10/-each to Rs. 12,00,00,000 consisting of 1,20,00,000 Equity Shares of Rs.10/- each.
March 09, 2015	Amendment Of Memorandum Of Association upon Conversion of Our Company from a Private Limited Company to a Public Limited Company and the Consequent Change In Name Of Our Company To Sakar Healthcare Limited‘.
March 09, 2015	Alteration of Object Clause in Memorandum of Association by Inserting Clause III [A](2) and (3) after the existing clause III [A](1) in the Main Object of the Company (Clause III). *1. To carry in India or elsewhere the business to manufacture, produce, process, prepare, treat, disinfect, compound, formulate, mix, concentrate, pack, repack, refine, add, remove, pure, preserve, grade, freeze, distillate, boil, sterilize, improve, extract, buy, sell, resell, import, export, barter, transport, store, forward, distribute, dispose, develop, research, discover, manipulate, market, supply and to act middlemen, jobworker or otherwise to deal in all types, descriptions, specifications, strengths and applications of ayurvedic, confectionery products, pharmacy and chemical products of medicaments in all its branches such as allopathic, ayurvedic, homeopathic, herbal, unani, siddha, bio-chemic etc., used for treatment, cure and healthcare of human beings and animals including, basic drugs, intermediates, tonics, antibiotics, enzymes, steroids, vitamins, harmones, biological and immunological chemicals, contraceptives, surgical plaster of Paris, surgical dressings, belladonna plasters, dressings, bandages, waddings, gauzes, adhesives, belts, sutures, ligatures, rubber goods, vaccines, toxins, ferments, yeasts, medical gases, oils and tinctures, medicinal products in all forms such as capsules, tablets, powders, ointments,*

Date of AGM / EGM	Changes
	syrups, injectibles, pills, fluids, granules, sprayers, inhalers, mineral waters, droppers, removers, veterinary medicines, poultry medicines, their by products, residues, mixtures, and compounds. 2. *To carry on business of running nursing homes, clinics, pharmacies, indoor or outdoor hospitals, medical, anatomical, orthopedic, surgical and 'X' Ray units, laboratories, research establishments, nature cure centers and hospitals for eye, throat and nose diseases and to acquire land, building plants, equipments, accessories, instruments, gadgets, furniture and fittings, and other facilities for treatment and nursing of patients, of various types of diseases, ailments, sickness, illness and other body or mental troubles and to act as consultants in any and all branches of medical science.* 3. *To carry on business as producers, manufacturers, processors, converters, refiners, bottlers, stockists, dealers, importers, exporters, traders, retailers, agents, buyers, sellers of oxygen, acetylene, ammonia, carbon dioxide, nitrogen, hydrogen, helium and other types and kinds of gases required for or used in industries, agriculture, clinics, hospitals, refrigeration, aviation, transport vehicles, spare rockets and crafts communication, objects and media, power plants, domestic or public lighting, heating, cooling or cooking purposes, lighters, plants producing water, chemicals or fuels, pesticide, defence or warfare establishments, horticulture, forest or plant protection and growth and other allied purposes and to service, repair, manufacture, market or deal in machineries, plants, spare, cylinders, containers, gadgets, appliances and accessories required for, working on, using or producing any ofsuch gases and products.* Further Clause (IIC) in Other Object Clause was deleted in Memorandum of Association.

HOLDING COMPANY OF OUR COMPANY

Our Company has no holding company as on this date of filing of this Red Herring Prospectus.

SUBSIDIARY COMPANY OF OUR COMPANY

Our Company has no subsidiary company as on this date of filing of this Red Herring Prospectus.

CAPITAL RAISING ACTIVITIES THROUGH EQUITY OR DEBT

For details in relation to our capital raising activities through equity and debt, please refer to the chapters titled "*Financial Statements as Restated"* and "*Capital Structure*" beginning on page 201 and 67, respectively, of this Red Herring Prospectus.

REVALUATION OF ASSETS

Our Company has not revalued its assets since its incorporation.

CHANGES IN THE ACTIVITIES OF OUR COMPANY IN THE LAST FIVE YEARS

Since incorporation there has been no change in the activities being carried out by our Company.

INJUNCTIONS OR RESTRAINING ORDERS

Our Company is not operating under any injunction or restraining order.

MERGERS AND ACQUISITIONS IN THE HISTORY OF OUR COMPANY

There has been no merger or acquisition of business or undertakings in the history of our Company.

SHAREHOLDERS' AGREEMENTS

Our Company has not entered into any shareholders' agreement as on date of filing of thisRed Herring Prospectus.

OTHER AGREEMENTS

Our Company has not entered into any agreements / arrangements except under normal course of business of the Company, as on date of filing of this Red Herring Prospectus.

STRIKES AND LOCK-OUTS

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock- outs. As on the date of this Red Herring Prospectus, our employees are not unionized.

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

As on the date of this Red Herring Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

STRATEGIC / FINANCIAL PARTNERS

Our Company does not have any strategic / Financial partner as on the date of this Red Herring Prospectus.

CONVERSION OF LOANS INTO EQUITY SHARES

There has been no incident of conversion of loans availed from financial institutions and banks into Equity Shares as on the date of this Red Herring Prospectus.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS / BANKS

There have been no defaults or rescheduling of borrowings with any financial institutions / banks as on the date of this Red Herring Prospectus in last five financial years.

NUMBER OF SHAREHOLDERS

Our Company has 9 (Nine) shareholders as on date of this Red Herring Prospectus.

OUR MANAGEMENT

Board of Directors

Under the Articles of Association, our Company is required to have not less than 3 Directors and not more than 15 Directors, subject to applicable provisions of the Companies Act. Our Company has 6 Directors on our Board.

The following table sets forth the details regarding our Board of Directors as on the date of this Red Herring Prospectus:

Sr. No.	Name, Father's Name, Age, Designation, Address, Occupation, Nationality & DIN	Date of Appointment	Other Directorships
1.	**Name**: Sanjay Shah **S/o**: Surendra Shah **Age**: 57 years **Designation**: Managing Director **Address**: 7, Arun Society, Paldi, Ahmedabad – 380 007, Gujarat **Occupation**: Business **Nationality** :Indian **Term**: Appointed as Managing Director for 5 years w.e.f. February 01, 2015 **DIN**: 01515296	March 26, 2004 Designated as Managing Director on February 1, 2015	**Public Limited Companies** 1. Bisil Plast Limited 2. Sanjay Corporation Limited **Private Limited Companies: Nil**
2.	**Name:** Rita Shah **W/o:** Sanjay Shah **Age:** 52 years **Designation:** Whole Time Director **Address:** 7, Arun Society, Paldi, Ahmedabad – 380 007, Gujarat **Occupation:** Business **Nationality** :Indian **Term**: Appointed as Whole Time Director for 5 years w.e.f. February 01, 2015 **DIN:** 01515340	March 26, 2004 Designated as Whole Time Director on February 01, 2015	**Public Limited Companies** 1. Bisil Plast Limited 2. Sanjay Corporation Limited **Private Limited Companies- Nil**
3.	**Name**: Aarsh Shah **S/o**: Sanjay Shah **Age**: 25 years **Designation**: Managing Director **Address**: 7-Arun Society, Nr Mahalaxmi Char Rasta, Paldi, Ahmedabad – 380007, Gujarat **Occupation**: Business **Nationality**: Indian **Term**: Appointed as Joint Managing Director for 5 years w.e.f. February 01, 2015 **DIN**: 05294294	June 01, 2012 Designated as Joint Managing Director on February 01, 2015	**Public Limited Companies:** NIL **Private Limited Companies :** NIL
4.	**Name**: Prashant Srivastav **S/o**: Chandraprakash Srivastav **Age**: 37 years **Designation**: Independent Director **Address**: 16, Hem Appts, Nehru Park Lad Soc Road, Vastrapur,	Appointed as Independent Director on April 1, 2015	**Public Limited Companies** Nil **Private Limited Companies** 1. Flatrox

Sr. No.	Name, Father's Name, Age, Designation, Address, Occupation, Nationality & DIN	Date of Appointment	Other Directorships
	Ahmedabad – 380015 Gujarat **Occupation**: Business **Nationality**: Indian **Term**: 5 years w.e.f. April 01, 2015 **DIN**: 02257146		Technosolutions (India) Private Limited 2. P R Residency Services Private Limited
5.	**Name**: Shailesh Patel **S/o**: Bhanubhai Patel **Age**: 55 years **Designation**: Independent Director **Address**: 12, Swastik Soc, Shriji Krupa, N.S. Rd No. 2 J.V.P.D Scheme,Mumbai-400056 **Occupation**: Business **Nationality**: Indian **Term**: : 5 years w.e.f. April 01, 2015 **DIN**: 01835567	Appointed as Independent Director on April 1, 2015	**Public Limited Companies:** NIL **Private Limited Companies :** NIL
6.	**Name**: Hardik Mehta **S/o**: Pratik Mehta **Age**: 28 years **Designation**: Independent Director **Address**: Pratik, Near Shrinivas Society, B/H Samkit Flats, Vikas Gruh Road, Paldi, Ahmedabad - 380007, Gujarat **Occupation**: Business **Nationality**: Indian **Term**: 5 years w.e.f. October 10, 2015 **DIN**: 07153485	Appointed as Independent Director on October 10, 2015	**Public Limited Companies:** NIL **Private Limited Companies :** NIL

BRIEF BIOGRAPHIES OF OUR DIRECTORS

Sanjay Shah

Sanjay Shah, aged 57 years is Promoter and Managing Director of our Company. He has been Director in our Company since incorporation. He holds a degree of Master of Business Administration from Vikram University, Ujjain, Madhya Pradesh. Apart from that, he hold diploma in plastic technology. He has more than a decade of experience in pharmaceutical, mineral water and plastic industry. Prior to our Company, he promoted Bisil Plast Ltd., the bottler of mineral water since 1986. He is presently instrumental in managing the entire affairs and functioning of our Company including production, sales, marketing and finance. He is the guiding force behind the strategic decisions of our Company and has been prominent in planning and formulating the overall business strategy and developing business relations for our Company.

Rita Shah

Rita Shah, aged 52 years is Promoter and Whole Time Director of our Company. She has been Director in our Company since incorporation. She is a science graduate from Gujarat University and an experienced business woman. She manages the day to day administrative operations of the

Company. She also assists Sanjay Shah in procurement of materials, production and controlling of quality products.

Aarsh Shah

Aarsh Shah, aged 25 years, is Promoter and Joint Managing Director of our Company. He is a Pharmacist from L.J. College Ahmedabad and holds a degree of Master of Business Administration from University of Cardiff, UK. He currently lends his professional acumen as a Pharmacist in the company and is actively involved in production, sales & marketing and developing business relations for our Company.

Prashant Srivastav

Prashant Srivastav, aged 37 years, is an Independent Director of our Company. He holds professional qualification of Chartered Accountant from Institute of Chartered Accountants of India and Company Secretary from Institute of Company Secretaries of India. He is also a partner with M/s Prashant Srivastav & Associates.

Shailesh Patel

Shailesh Patel, aged 55 years is an Independent Director of our Company. He holds a degree of Electrical Engineering from Mumbai University. He is a successful businessman having more than 25 years of experience with Elacmach Group. He is a maestro in handling existing and new clients, meeting specifications and developing new business

Hardik Mehta

Hardik Mehta, aged 28 years is an Independent Director of our Company. He was appointed as an Independent director of our Company from October 10, 2015. He holds a Bachelor's degree in Law from the Gujarat University. He has been practising law and corporate consultant since last 5 years.

CONFIRMATIONS

We confirm that, as on the date of this Red Herring Prospectus :

1. Except as mentioned below, none of the Directors of our Company are related to each other within the meaning of section 2(77) of the Companies Act, 2013

Name of the Director	Name of other Director	Relation
Sanjay Shah	Rita Shah	Husband - Wife
Sanjay Shah	Aarsh Shah	Father - Son
Rita Shah	Aarsh Shah	Mother- Son

2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of the above mentioned Directors are on the RBI List of willful defaulters.
5. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) or (b) delisted from the stock exchanges during the term of their directorship in such companies.
6. None of the Promoters, persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is 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 SEBI or any other regulatory authority.

REMUNERATION/COMPENSATION/COMMISSION PAID TO DIRECTORS

During the last financial year ended on March 31, 2016, the directors have been paid gross remuneration as follows:

Rs in lakhs

Name of Director	Remuneration paid during FY 2015-16
Sanjay Shah	11.05
Rita Shah	5.20
Aarsh Shah	10.40

None of the existing directors except as named above have received any remuneration during the Financial Year 2015-16

Terms and Conditions of employment of Our Director

1. Sanjay Shah was designated as Managing Director vide shareholders resolution in the Extra Ordinary General Meeting held on February 25, 2015 for a period of five years with effect from February 01, 2015.

The terms and conditions of his employment are as follows:

- **Salary:** up toRs. 2,00,000 per month
- **Terms of Appointment:** Five years with effect from February 01, 2015
- **Perquisites**
    1. Contribution to Provident Fund, Superannuation Fund and Annuity Fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
    2. Gratuity Payable at a rate not exceeding half a month's salary for each completed years of service.
    3. Encashment of leave at the end of the tenure.
    4. Free use of Company's car with driver for Company's business and free telephone facility at residence.
- **COMMISSION**

  The Managing Director shall be entitled to commission 1% of the net profits of the Company so that for any year of aggregate of salary, perquisites and Commission shall not exceed the overall ceiling laid down under Section 197 of the Companies Act, 2013.

  Further Managing Director shall also entitled to reimbursement of expenses incurred by him in connection with the business of the Company.

2. Rita Shah was designated as Whole Time Director vide shareholders resolution in the Extra Ordinary General Meeting held on February 25, 2015 for a period of five years with effect from February 01, 2015.

The terms and conditions of her employment are as follows:

- **Salary:** upto Rs. 1,00,000 per month
- **Terms of Appointment:** Five years with effect from February 01, 2015
- **Perquisites**
    1. Contribution to Provident Fund, Superannuation Fund and Annuity Fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.

2. Gratuity Payable at a rate not exceeding half a month's salary for each completed years of service.
3. Encashment of leave at the end of the tenure.
4. Free use of Company's car with driver for Company's business and free telephone facility at residence.

- **COMMISSION**

  The Executive Director shall be entitled to commission 1% of the net profits of the Company so that for any year of aggregate of salary, perquisites and Commission shall not exceed the overall ceiling laid down under Section 197 of the Companies Act, 2013.

  Further Executive Director shall also entitled to reimbursement of expenses incurred by her in connection with the business of the Company.

3. Aarsh Shah was designated as Joint Managing Director vide shareholders resolution in the Extra Ordinary General Meeting held on February 25, 2015 for a period of five years with effect from February 01, 2015.

   The terms and conditions of his employment are as follows:

- **Salary:** upto Rs. 1,00,000 per month
- **Terms of Appointment:** Five years with effect from February 01, 2015
- **Perquisites**

  1. Contribution to Provident Fund, Superannuation Fund and Annuity Fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
  2. Gratuity Payable at a rate not exceeding half a month's salary for each completed years of service.
  3. Encashment of leave at the end of the tenure.
  4. Free use of Company's car with driver for Company's business and free telephone facility at residence.

- **COMMISSION**

  The Joint Managing Director shall be entitled to commission 1% of the net profits of the Company so that for any year of aggregate of salary, perquisites and Commission shall not exceed the overall ceiling laid down under Section 197 of the Companies Act, 2013.

  Further Joint Managing Director shall also entitled to reimbursement of expenses incurred by him in connection with the business of the Company.

SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares. Except as stated below no other directors have shareholding of our Company. The following table details the shareholding of our Directors as on the date of this Red Herring Prospectus:

Sr. No	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1	Sanjay Shah	58,67,500	73.34%	53.53%
2	Ritaben Shah	2,45,000	3.06%	2.24%
3	Aarsh Shah	13,07,500	16.34%	11.93%
	Total	**74,20,000**	**92.75%**	**67.69%**

COMPENSATION TO NON EXECUTIVE AND INDEPENDENT DIRECTOR

Non-executive and Independent Directors of the Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and other applicable laws and regulations.

INTERESTS OF DIRECTORS

All Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or a Committee thereof as well as to the extent of other remuneration, reimbursement of expenses payable to them

All our Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to them, out of the present Issue in terms of this Red Herring Prospectus and also to the extent of any dividend payable to them and other distributions in respect of such Equity Shares

Our Directors do not have any other interest in any property acquired by our Company in a period of two years before filing of this Red Herring Prospectus or proposed to be acquired by us as on date of filing the Red herring Prospectus.

Our Promoters Sanjay Shah, Rita Shah and Aarsh Shah are also Promoters of our Company. Except as stated in *"Our Promoters and Promoter Group"*, none of our Directors have any interest in the promotion of our Company, other than in the ordinary course of business.

Except as stated in "*Related Party Transactions"* on page no 199 and described herein, our Directors do not have any other interest in our business.

No amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our Directors, except the normal remuneration for services rendered as Directors.

No loans have been availed by our Directors from our Company

SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES

Our Company does not have any associate or subsidiary company as on date of filing of this Red Herring Prospectus.

CHANGES IN BOARD OF DIRECTORS IN LAST 3 YEARS

Name	Date of Event	Nature of Appointment	Reasons
Sanjay Shah	February 01, 2015	Change in Designation	Designated as Managing Director
Rita Shah	February 01, 2015	Change in Designation	Designated as Whole Time Director
Aarsh Shah	February 01, 2015	Change in Designation	Designated as Joint Managing Director
Prashant Srivastav	April 01, 2015	Appointment	Appointed as Independent Director
Shailesh Patel	April 01, 2015	Appointment	Appointed as Independent Director
Aniruddha Rathod	April 01, 2015	Appointment	Appointed as Independent Director
Hardik Mehta	October 10, 2015	Appointment	Appointed as Independent Director
Aniruddha Rathod	October 10, 2015	Cessation	Resignation as Independent Director

DETAILS OF BORROWING POWERS OF DIRECTORS

Pursuant to a resolution passed on December 16, 2013 Extra Ordinary General Meeting of our Company, consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 180(1)(c) of the Companies Act, 2013 for borrowing, from time to time,

from any one or more of the Company's bankers and/or from any other persons, firms, bodies corporate or financial institutions whether by way of cash credit, advance or deposits, loans, debentures or bill discounting or otherwise whether unsecured or secured so that the moneys to be borrowed together with moneys already borrowed by the Company (apart from temporary loans obtained from Company's Bankers in the ordinary course of business) will or may exceed the aggregate of the paid- up capital of the Company and its free reserves, however that the total amount up to which the moneys may be borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of Rs.100 Crores (Rupees One Hundred Crores only)."

CORPORATE GOVERNANCE

The provisions of the SEBI Listing Regulations will be applicable to our Company immediately upon the listing of our Equity Shares with NSE. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of Chapter IV of the SEBI Listing Regulations as may be applicable.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Currently our Board has Six directors out of which three are Independent Directors, One Managing Director, one is Joint Managing Director and One is Whole Time Director.

The following committees have been formed in compliance with the corporate governance norms:

a. Audit Committee
b. Nomination and Remuneration Committee
c. Stakeholder's Relationship Committee

A. Audit Committee:

Our Company has constituted an audit committee ***("Audit Committee")***, as per section 177 of the Companies Act, 2013; vide resolution passed at the meeting of the Board of Directors held on April 01, 2015.

The terms of reference of Audit Committee adheres to the requirements of Regulation 18 of the Listing Agreement, proposed to be entered into with the Stock Exchange in due course. The committee presently comprises the following directors

Name of the Director	Status in Committee	Nature of Directorship
Prashant Srivastav	Chairman	Independent Director
Sanjay Shah	Member	Managing Director
Shailesh Patel	Member	Independent Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

The Audit Committee shall have following powers/responsibilities:

a. To investigate any activity within its terms of reference.
b. To seek information from any employee.
c. To obtain outside legal or other professional advice, and
d. To secure attendance of outsiders with relevant expertise if it considers necessary

The Audit Committee shall mandatorily review the following information:

a. Management discussion and analysis of financial condition and results of operations;
b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
d. Internal audit reports relating to internal control weaknesses; and

e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee

To submit statement of deviations:

i. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations.

ii. Report of the monitoring agency on annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(6) SEBI Listing Regulations, if applicable.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The role of the Audit Committee not limited to but includes:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
2. Recommending to the Board, the appointment, remuneration and terms of appointment of auditors of the listed entity
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;
   g. Modified opinion(s) in the draft audit report
5. Reviewing, with the management, the half yearly 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, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ Prospectus/ Draft Red Herring Prospectus Red Herring Prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence, performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the 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, 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 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 oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases
19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
21. To investigate any other matters referred to by the Board of Directors;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India

Meeting of Audit Committee and relevant Quorum

The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the Audit Committee whichever is greater, but there shall be a minimum of two Independent Directors present.

B. Stakeholder's Relationship Committee

Our Company has constituted a shareholder / investors grievance committee *("Stakeholders Relationship Committee")* to redress complaints of the shareholders. The Stakeholders Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on April 01, 2015.

The Stakeholder‘s Relationship Committee comprises the following Directors:

Name of the Director	Status in Committee	Nature of Directorship
Prashant Srivastav	Chairman	Independent Director
Shailesh Patel	Member	Independent Director
Aarsh Shah	Member	Joint Managing Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholder's Relationship Committee.

The scope and function of the Stakeholder's Relationship Committee and its terms of reference shall include the following:

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Stakeholders Relationship Committee include the following:

1. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
2. Redressal of shareholder‘s/investor's complaints;

3. Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;
4. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
5. Allotment and listing of shares;
6. Reference to statutory and regulatory authorities regarding investor grievances; and
7. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
8. Any other power specifically assigned by the Board of Directors of the Company

Quorum for Stakeholders Relationship Committee

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be 2 members or one third of the members, whichever is greater.

*C. **Nomination and Remuneration Committee**:*

Our Company has formed Nomination and Remuneration Committee Resolution vide Board of Directors resolution dated October 10 , 2015 the same was reconstituted through a Meeting of the Board held on October 10, 2015. The scope and functions of the Committee complies with requirements of section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee comprises of following Chairman and the members:

Name of the Director	Status in Committee	Nature of Directorship
Shailesh Patel	Chairman	Independent Director
Hardik Mehta	Member	Independent Director
Prashant Srivastav	Member	Independent Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee.

The terms of reference of the Nomination and Compensation Committee are:

1. 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
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;.
4. 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 of Directors their appointment and removal and shall carry out evaluation of every director‘s performance;
5. Determining, reviewing and recommending to the Board, the remuneration of the Company‘s Managing/ Joint Managing / Deputy Managing / Whole time / Executive Director(s), including all elements of remuneration package;
6. To ensure that the relationship of remuneration to perform is clear and meets appropriate performance benchmarks.
7. Formulating, implementing, supervising and administering the terms and conditions of the Employee Stock Option Scheme, Employee Stock Purchase Scheme, whether present or prospective, pursuant to the applicable statutory/regulatory guidelines;
8. Carrying out any other functions as authorized by the Board from time to time or as enforced by statutory/regulatory authorities.

Quorum for Nomination and Remuneration Committee

The quorum necessary for a meeting of the Remuneration Committee shall be 2 members or one third of the members, whichever is greater.

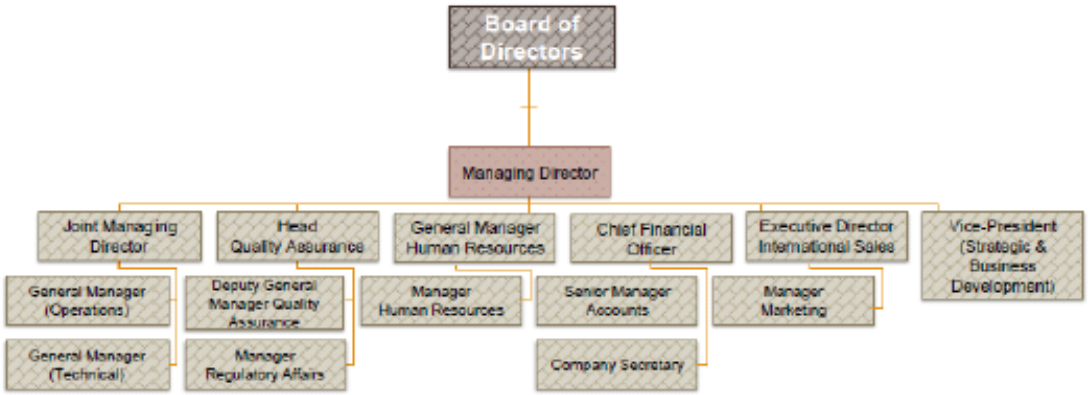
Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

We will comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended, post listing of our Company's shares on the Stock Exchange.

Company Secretary & Compliance Officer, is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

Our Organization Chart

The following chart depicts our Management Organization Structure:



Our Key Managerial Personnel

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. The details of the Key Managerial Personnel, in addition to Sanjay Shah Managing Director, Rita Shah Whole time Director and Aarsh Shah, Joint Managing director, as of the date of this Red Herring Prospectus are as follows

Johnny George, Chief Financial Officer

Johnny George age 55 years is Chief Financial Officer of our Company. He is associated with the company from April 01, 2015. He holds a degree of Masters in Commerce from University of Kerala. He has also completed his Articleship for Chartered Accountancy for two groups. He has 28 years of experience in the field of finance. His major role includes supervising of finance and accounts related matters, checking of sales bills / cash vouchers, supervising purchase order related matters, etc.

Pratixa Seju, Company Secretary and Compliance Officer.

Pratixa Seju, aged 27 years is Company Secretary and Compliance Officer of our Company with effect from December 28, 2015. She is a Company Secretary by qualification and a member of Institute of Company Secretaries of India. He looks after the Legal and Compliance Department of the Company.

RELATIONSHIPS OF DIRECTORS/ AND PROMOTERS WITH KEY MANAGERIAL PERSONNEL

Except as stated below; none of the Directors /and promoters of the Company are related with Key Managerial Personnel to each other as per section 2(77) of the Companies Act, 2013.

Name of the Director	Name of other Director	Relation
Sanjay Shah	Rita Shah	Husband - Wife
Sanjay Shah	Aarsh Shah	Father - Son
Rita Shah	Aarsh Shah	Mother- Son

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Key Managerial Personal has been appointed pursuant to any arrangement with our major shareholders, customers, suppliers or others.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except as stated below, none of other Key Managerial Personnel holds any Equity Shares of our Company as on the date of this Red Herring Prospectus.

Sr. No.	Name of the KMP	No. of Equity Shares
1.	Sanjay Shah	58,67,500
2.	Ritaben Shah	2,45,000
3.	Aarsh Shah	13,07,500
4.	Johny George	20,000

BONUS OR PROFIT SHARING PLAN OF THE KEY MANAGERIAL PERSONNEL

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Key Managerial Personnel.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

LOANS TO KEY MANAGERIAL PERSONNEL

Except as mentioned below, our Company has not given any loans and advances to the Key Managerial Personnel as on the date of this Red Herring Prospectus.

Rs in Lakhs

Name	Amount Outstanding
Johnny George	0.15

INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of the Equity Shares held by them, remuneration or benefits to which they are entitled as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business and the Equity Shares held, if any. The Key Managerial Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares, if any

Except as disclosed, none of the Key Managerial Personnel has been paid any consideration of any nature from our Company, other than their remuneration

Other than disclosed in *"Related Party Transactions"* on page 199, none of the beneficiaries of loans and advances and sundry debtors and or Sundry creditors are related to our Directors.

CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS

The changes in the Key Managerial Personnel in the last three years are as follows:

Name of Managerial Personnel	Date of Event	Nature of Appointment	Reason
Sanjay Shah	February 01, 2015	Change in Designation	Designated as Managing Director

Name of Managerial Personnel	Date of Event	Nature of Appointment	Reason
Rita Shah	February 01, 2015	Change in Designation	Designated as Whole Time Director
Aarsh Shah	February 01, 2015	Change in Designation	Designated as Joint Managing Director
Johnny George	April 01, 2015	Appointment	Appointed as Chief Financial Officer
Kinjal Sheth	April 01, 2015	Appointment	Appointed as Company Secretary and Compliance Officer
Kinjal Sheth	December 28, 2015	Resignation	Resigned as Company Secretary and Compliance Officer
Pratixa Seju	December 28, 2015	Appointment	Appointed as Company Secretary and Compliance Officer

Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.

ESOP/ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ESPS Scheme for employees.

PAYMENT OR BENEFIT TO OUR OFFICERS (NON SALARY RELATED)

Except as disclosed in the heading titled "*Related Party Transactions*" in the section titled "*Financial Statements as Restated*" beginning on page 201 of this Red Herring Prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees

OUR PROMOTERS

The Promoters of Our Company are Sanjay Shah, Rita Shah and Aarsh Shah. Our Promoters collectively hold in aggregate 74,20,000 Equity Shares representing 92.75% of the pre – Issue Paid up share capital of our Company and will continue to hold a majority of post –Issue paid up share capital of our Company

The details of our Promoters are as under:

Sanjay Shah

Sanjay Shah, aged 57 years is Promoter and Managing Director of our Company. He has been Director in our Company since incorporation. He holds a degree of Master of Business Administration from Vikram University, Ujjain, Madhya Pradesh. Apart from that, he hold diploma in plastic technology. He has more than a decade of experience in pharmaceutical, mineral water and plastic industry. Prior to our Company, he promoted Bisil Plast Ltd., the bottler of mineral water since 1986. He is presently instrumental in managing the entire affairs and functioning of our Company including production, sales, marketing and finance. He is the guiding force behind the strategic decisions of our Company and has been prominent in planning and formulating the overall business strategy and developing business relations for our Company.

Nationality : Indian
Passport : Z3024266
Driving Licence: GJ01 20000217569
Voters ID: GJ/11/068/418704

Address: 7, Arun Society, Paldi, Ahmedabad – 380 007, Gujarat

For further details relating to Sanjay Shah, including terms of appointment as Managing Director, other directorships, please refer to the chapters titled "*Our Management*" beginning on page 175 of this Red Herring Prospectus.

Rita Shah

Rita Shah, aged 52 years is Promoter and Whole Time Director of our Company. She has been Director in our Company since incorporation. She is a science graduate from Gujarat University and an experienced business woman. She manages the day to day administrative operations of the Company. She also assists Sanjay Shah in procurement of materials, production and controlling of quality products.

Nationality : Indian
Passport : Z3024265
Driving Licence : GJ01 20000705581
Voters ID: GJ/11/068/418709

Address: 7, Arun Society, Paldi, Ahmedabad – 380 007, Gujarat

For further details relating to Rita Shah, including terms of appointment as Whole Time Director, other directorships, please refer to the chapters titled "*Our Management*" beginning on page 175 of this Red Herring Prospectus.

Aarsh Shah

Aarsh Shah, aged 25 years, is Promoter and Joint Managing Director of our Company. He is a Pharmacist from L.J. College Ahmedabad and holds a degree of Master of Business Administration from University of Cardiff, UK. He currently lends his professional acumen as a Pharmacist in the company and is actively involved in production, sales & marketing and developing business relations for our Company.
Nationality : Indian
Passport : Z2931925
Driving Licence : GJ01/071415/09
Voters ID: IIE2585172

Address: 7-Arun Society, Nr Mahalaxmi Char Rasta, Paldi, Ahmedabad – 380007, Gujarat

For further details relating to Aarsh Shah, including terms of appointment as Joint Managing Director, other directorships, please refer to the chapters titled "*Our Management*" beginning on page 175 of this Red Herring Prospectus.

DECLARATION

Our Company confirms that the permanent account number, bank account number and passport number of our Promoters shall be submitted to the Stock Exchange at the time of filing of this Red Herring Prospectus with it.

INTEREST OF PROMOTERS

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of its shareholding and the dividend receivable, if any and other distributions in respect of the Equity Shares held by them. For details regarding shareholding of our promoters in our Company, please refer *"Capital Structure"* on page 67 of this Red Herring Prospectus

Our Promoters may also be deemed to be interested in our Company to the extent of their shareholding in our Group Entities with which our Company transacts during the course of its operations

Our Promoters are the Directors of our Company and may be deemed to be interested to the extent of remuneration and/ or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of the agreements entered into with our company, if any and AoA of our Company. For details please see *"Our Management", "Financial Statements"* and *"Capital Structure"* beginning on pages 175, 201 and 67 respectively of this Red Herring Prospectus.

Our promoters do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of two years before filing of this Red Herring Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

For details of related party transactions entered into by our Company during last financial year with our Promoters and Group Companies, the nature of transactions and the cumulative value of transactions, see *"Related Party Transactions"* on page no 199 of this Red Herring Prospectus.

Except as stated in this section and *" Related Party Transactions"* and *" Our Management"* on page 199 and 175 respectively, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the filing of the Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group.

PAYMENT OR BENEFIT TO PROMOTERS OF OUR COMPANY

Except as stated otherwise in the chapters "*Related Party Transactions*" on page 199 of the Red Herring Prospectus, there has been no payment or benefits to the Promoters during the two years prior to the filing of this Red Herring Prospectus

LITIGATION INVOLVING OUR PROMOTER

For details of legal and regulatory proceedings involving our Promoters, see *"Outstanding Litigation and Material Developments"* on page 244 of this Red Herring Prospectus.

OTHER VENTURES OF OUR PROMOTERS

Save and except as disclosed in the chapter titled "*Our Promoters* and *Promoter Group" and Our "Group Companies*" beginning on page 188 and 192**,** of this Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests / other interests.

COMMON PURSUITS

Non of Our Group Companies are authorized to carry similar activities as those conducted by our Company.

RELATED PARTY TRANSACTIONS

For the transactions with our Promoters, Promoter Group and Group Companies, please refer to section titled "*Related Party Transactions*" on page 199 of this Red Herring Prospectus.

Except as stated in "*Related Party Transactions*" beginning on page 199 of this Red Herring Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

CONFIRMATIONS

Our Company, our individual Promoter and his relatives (as defined under the Companies Act, 2013) and our corporate Promoter are not Wilful Defaulters and there are no violations of securities laws committed by our Promoter in the past and no proceedings for violation of securities laws are pending against them.

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Our Promoters and members of the Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters are not and have never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except as disclosed in *"Related Party Transactions"* on page 199, our Promoters are not related to any of the sundry debtors or are not beneficiaries of Loans and Advances given by/to our Company

DISASSOCIATION BY THE PROMOTER IN THE LAST THREE YEAR

Our Promoters have not disassociated themselves from any entities/firms during preceding three years

OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1) (zb) of the SEBI (ICDR) Regulations is as under:

A. Individuals related to our Promoters:

Relationship with Promoters	Sanjay Shah	Rita Shah	Aarsh Shah
Father	Surendra Shah	Hashmukhlal Shah	Sanjay Shah
Mother	Late Sheelaben Shah	Hansaben Shah	Rita shah
Brother	-	Late Bhadrik Shah	-
Sister	-	-	Ayushi Shah
Spouse	Rita Shah	Sanjay Shah	-
Son	Aarsh Shah	Aarsh Shah	-
Daughter	Ayushi Shah	Ayushi Shah	-
Spouse's Father	Hashmukhlal Shah	Surendra Shah	-
Spouse's Mother	Hansaben Shah	Late Sheelaben Shah	-
Spouse's Brother	Late Bhadrik Shah	-	-
Spouse's Sister	-	-	-

B. Companies, firms, proprietorships and HUFs which form part of our Promoter Group are as follows:

1. **Sanjay Corporation Limited**
2. **BISIL Plast Limited**

RELATIONSHIP OF PROMOTERS WITH OUR DIRECTORS

Our Promoters are the part of our Board of Directors as Managing Director, Whole Time Director and Joint Managing Director. Except as disclosed herein, none of our Promoter(s) are related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

Name of Promoters	Name of other Director	Relation
Sanjay Shah	Rita Shah	Husband - Wife
Rita Shah	Aarsh Shah	Mother- Son
Aarsh Shah	Sanjay Shah	Son - Father

CHANGES IN THE MANAGEMENT AND CONTROL OF OUR COMPANY

There has been no change in the management or control of our Company since then.

OUR GROUP COMPANIES

In accordance with the provisions of the SEBI (ICDR) Regulations, for the purpose of identification of "Group Companies", our Company has considered companies as covered under the applicable accounting standards, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountant of India and such other companies as considered material by our Board. Pursuant to a resolution dated September 01, 2016, our Board vide a policy of materiality has resolved that except as mentioned in the list of related parties prepared in accordance with Accounting Standard 18 no other Company is material in nature.

No Equity shares of our Group Companies are listed on any stock exchange except of Bisil Plast Limited (hereinafter referred as BPL) which is listed on Ahmedabad, Bombay and Delhi Stock Exchanges BPL has not made any public or rights issue of securities in the preceding three years.

OUR GROUP COMPANIES:

The Details of our group Companies are provided below

1. Bisil Plast Limited

Bisil Plast Limited was incorporated as Bisil Plast Private Limited on September 25, 1986 under the Companies Act, 1956 *vide* Certificate of Incorporation issued by the Registrar of Companies, Gujarat. Further, the company was converted into a Public Limited Company *vide* Fresh Certificate of Incorporation consequent upon change of name on conversion to Public Limited Company dated May 13, 1992 issued by RoC and the name of the company was changed to Bisil Plast Limited. The name of the company again got changed vide fresh Certificate of Incorporation consequent upon change of name dated March 17, 2006 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli to Bisleri Gujarat Limited. The name of the company again got changed vide fresh Certificate of Incorporation consequent upon change of name dated April 07, 2008 issued by the RoC to its current name i.e. Bisil Plast Limited. The Corporate Identification Number of Bisil is L17119GJ1986PLC009009.

Bisil is engaged into the business of dealers, distributors and merchants of mineral water, plastic bottles, jars and containers and other plastic goods, articles or things capable of being manufactured from all types of plastic materials as well as of injection moulded caps, closures, sealants, bottles, vials and other industrial and household articles etc.

Bisil made its initial public offer in the year 1996. The initial promoters of Bisil as mentioned in its prospectus were Mr. Surendra T. Shah, Mr. Sanjay S. Shah, Ms. Shilaben S. Shah and Ms. Rita S. Shah. The Equity Shares of the Company are currently listed on the BSE, the Ahmedabad Stock Exchange Limited and the Delhi Stock Exchange Association Limited.

Registered Office:

The Registered Office of Bisil is situated at Silver Oaks Commercial Complex, 406, Opp. Arun Society, Paldi, Ahmedabad – 380 007, Gujarat.

Board of Directors as on the date of this Red Herring Prospectus:

1. Amrish Pandya
2. Sanjay Shah
3. Ritaben Shah
4. Sanjay Karkare

SHARE HOLDING PATTERN AS ON JUNE 30, 2016 IS AS FOLLOWS:

1. Shareholding pattern of the Promoter and Promoter Group

Category of Shareholder	No. of the Shareholders	No. of fully paid up Equity Shares	Total No. of Shares held	Shareholding as a % of total no. of shares	Number of Equity Shares held in dematerialized form
(A) Promoter & Promoter Group	4	10,26,307	10,26,307	1.90	10,26,307
(B) Public	17,818	5,30,04,693	5,30,04,693	98.11	4,88,50,997
(C1) Shares underlying DRs				0.00	
(C2) Shares held by Employee Trust				0.00	
(C) Non Promoter-Non Public				0.00	
Grand Total	**17,822**	**5,40,31,000**	**5,40,31,000**	**100.00**	**4,98,77,304**

2. Shareholding pattern of the Public shareholder

Category of Shareholder	No. of the Shareholders	No. of fully paid up Equity Shares	Total No. of Shares held	Shareholding as a % of total no. of shares	Number of Equity Shares held in dematerialized form
(B1) Institutions	0	0	0	0.00	0.00
(B2) Central Government/ State Government(s)/ President of India	0	0	0	0.00	0.00
(B3) Non-Institutions	0	0	0	0.00	0.00
Individual share capital upto Rs. 2 Lakhs	17,288	4,59,99,392	4,59,99,392	85.14	4,19,20,696
Individual share capital in	10	28,74,484	5.32	5.32	28,74,484

Category of Shareholder	No. of the Shareholders	No. of fully paid up Equity Shares	Total No. of Shares held	Shareholding as a % of total no. of shares	Number of Equity Shares held in dematerialized form
excess of Rs. 2 Lakhs					
Any Other (specify)	520	41,30,817	41,30,817	7.65	41,30,817
Bodies Corporate	132	16,72,560	16,72,560	3.10	16,72,560
Clearing Members	51	7,73,370	7,73,370	1.43	7,73,370
Foreign Individuals or NRI	25	2,75,301	2,75,301	0.51	2,00,301
HUF	311	14,04,586	14,04,586	2.60	14,04,586
Trusts	1	5,000	5,000	0.01	5,000
Sub Total B3	17,818	5,30,04,693	5,30,04,693	98.11	4,88,50,997
B=B1+B2+B3	17,818	5,30,04,693	5,30,04,693	0.00	4,88,50,997

3. Shareholding pattern of the Non Promoter- Non Public shareholder

Category of Shareholder	No. of the Shareholders	No. of fully paid up Equity Shares	Total No. of Shares held	Shareholding as a % of total no. of shares	Number of Equity Shares held in dematerialized form
(C1) Custodian/DR Holder	0	0	0	0	0.00
(C2)Employee Benefit Trust	0	0	0	0	0.00

Financial Performance

(Rs. in Lakhs)

Particulars	March 31 2016	March 31, 2015	March 31, 2014
Equity Share Capital (F.V. Rs. 1 per equity share)	525.51	525.51	525.51
Reserves and Surplus (excluding revaluation reserve if any)	(445.60)	(431.98)	(423.34)
Total Income	NIL	NIL	NIL
Profit / (Loss) after Tax (PAT)	(13.62)	(8.64)	(8.76)
Earnings Per Share (EPS) (Basic) (in Rs.)	-	(0.02)	(0.02)
Earnings Per Share (EPS) (Diluted) (in Rs.)	-	(0.02)	(0.02)
Misc. Expenditure (to the extent not written off)	NIL	NIL	NIL
Net worth	79.91	93.54	102.18

Net Asset Value (NAV) per share (in Rs.)	0.15	0.17	0.19

Nature and Extent of Interest of Promoters

Our Promoters, Sanjay Shah and Rita Shah are holding 19,040 and 4,000 Equity Shares respectively, which constitute 0.05% each in aggregate of the total Issued and Paid up Capital of Bisil. Our Promoter, Aarsh Shah holds 10,03,267 Equity Shares, which constitutes 1.86% of the aggregate of the total Issued and Paid up Capital of Bisil.

Share price Information:

Month Year	Monthly Low	Monthly High
March, 2016	0.32	0.28
April, 2016	0.34	0.26
May, 2016	0.65	0.34
June, 2016	0.54	0.46
July, 2016	0.58	0.37
August, 2016	0.50	0.37

Promise vis-à-vis Objects of public offer

Bisil made an initial public offer in 1996. It has utilized all the funds raised from its initial public offer for the purposes stated as under:

Rs. In Lakhs

Sr. No.	Particulars	Projections in Offer Document	Actual Funds utilized
1.	• To part finance the cost of setting of the proposed project. • To augment the working capital requirements of the Company • To meet the expenses of the present issue • To list the equity shares of the company on the Recognised Stock Exchange	199.50	199.50
TOTAL		**199.50**	**199.50**

Bisil has utilised the amount raised in its initial public offering within time frame as envisaged in its prospectus.

Bisil has not made any public or right issue since its initial public offering in the year 1996.

No part of the Issue Proceeds is payable to Bisil.

Loans granted or taken from our Company

As on the date of this Red Herring Prospectus, BISIL has neither granted any unsecured loan to our Company nor taken any unsecured loan from our Company.

2. Sanjay Corporation Limited ("SCL")

Sanjay Corporation Limited was incorporated on April 21, 1999 under the Companies Act, 1956 *vide* Certificate of Incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar

Haveli dated April 21, 1999 and received certificate for commencement of business on April 23, 1999. The Corporate Identification Number of SCL is U16009GJ1999PLC035814.

The Registered Office of SCL is situated at 406/A, Silver Oaks Commercial Complex, Opp. Arun Society, Paldi, Ahmedabad – 380 007, Gujarat.

SCL was earlier engaged into the business of manufacture, sell, supply of mineral water bottles, jars and other businesses related to it. Presently, no business is being undertaken by SCL.

Equity shares of SCL are not listed on any stock exchange.

Board of Directors as on the date of this Red Herring Prospectus:

1. Amrish Pandya
2. Sanjay Shah
3. Ritaben Shah

Share Holding Pattern as on the date of this Red Herring Prospectus:

Name of the Shareholder	Number of Shares	Percentage of shareholding
Sanjay Shah	1,63,600	43.60%
Rita Shah	86,600	23.08%
Surendra Shah	72,600	19.35%
Ayushi Shah	40,100	10.69%
Vasantlal Khakharia	4,600	1.23%
Chetan Khakharia	4,100	1.09%
Ishwarlal Panchal	3,600	0.96%
Total	**3,75,200**	**100.00%**

Financial Performance

Particulars	March 31, 2015	March 31, 2014	March 31, 2013
Equity Share Capital (F.V. Rs. 10 per equity share)	37.52	37.52	37.52
Reserves and Surplus (excluding revaluation reserve if any)	(188.60)	(188.14)	(188.14)
Total Income	NIL	NIL	Nil
Profit / (Loss) after Tax (PAT)	(0.46)	(0.34)	(0.34)
Earnings Per Share (EPS) (Basic) (in Rs.)	(0.12)	(0.09)	(0.09)
Earnings Per Share (EPS) (Diluted) (in Rs.)	(0.12)	(0.09)	(0.09)
Misc. Expenditure (to the extent not written off)	NIL	NIL	Nil
Net worth	(151.08)	(150.62)	(150.62)
Net Asset Value (NAV) per share (in Rs.)	(40.27)	(40.14)	(40.14)

Nature and Extent of Interest of Promoters

Our Promoters, Sanjay Shah and Rita Shah are holding 1,63,600 and 86,600 Equity Shares respectively, which constitute 66.68% each in aggregate of the total Issued and Paid up Capital of Sanjay Corporation Limited.

No part of the Issue Proceeds is payable to SCL.

OTHER CONFIRMATIONS

Defunct / Struck-off Companies

Saral Beverages Private Limited was struck off from Registrar of Companies in the year 2010-11 Further except mentioned herein none of our Promoter Group or Group Entities have become defunct or struck – off since incorporation or is a sick company under the meaning of The Sick Industrial Companies (Special Provisions) Act, 1985 and none of them are under winding up. Further, all the Group Entities are unlisted companies except Bisil Plast Limited and they have not made any public issue of securities (including rights) in the preceding three years. SCL has a negative net worth as on the date of this Prospectus, details whereof have been reflected at "Financial Information" above.

Sales between Group Entities and Associate Companies

There have been no sales and purchases between our Company and its Group Entities, Subsidiaries and associate companies during the Financial Year 2015-16.

DISSOCIATION BY THE PROMOTER IN THE LAST THREE YEARS

Our Promoters have not disassociated themselves from any of the companies or firms during the last three years preceding the date of the Red Herring Prospectus.

INTEREST OF OUR PROMOTERS AND GROUP COMPANIES

In the promotion of our Company

None of our Group Companies have any interest in the promotion or any business interest or other interest in our Company.

In the properties acquired or proposed to be acquired by our Company in the past two years before filing the Red Herring Prospectus with SEBI

None of our Group Companies have any interest in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of Red Herring Prospectus or proposed to be acquired by it.

In transactions for acquisition of land, construction of building and supply of machinery.

None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or suplly of machinery.

COMMON PURSUITS AMONG GROUP COMPANIES WITH OUR COMPANY

None of our group Companies is authorized to carry similar activities as those conducted by our Company

RELATED BUSINESS TRANSACTIONS WITHIN THE GROUP COMPANIES AND SIGNIFICANCE OF THE FINANCIAL PERFORMANCE OF OUR COMPANY

For details, please refer *"Related Party Transactions"* on page 199 of this Red Herring Prospectus.

SALES/PURCHASES BETWEEN OUR COMPANY & GROUP COMPANIES

Other than as disclosed in the chapter titled *"Related Party Transactions"* on page 199 of this Red Herring Prospectus, there are no sales / purchases between the Company and the Group Companies when such sales or purchases exceed in value in the aggregate 10% of the total sales or purchases of the Company.

BUSINESS INTEREST OF GROUP COMPANIES

None of our Group Entities have any business interest in our Company

CONFIRMATIONS

Our Group Companies have incurred a loss in the immediately preceding Financial Year for details Please refer to chapter titled "Our Promoters and Promoter Group on Page 188 of this Red Herring Prospectus.

Our Group Company has not been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them.

Additionally, Group Company has not been restrained from accessing the capital markets for any reasons by SEBI or any other authorities.

LITIGATIONS INVOLVING OUR GROUP COMPANIES

For details related to litigations and regulatory proceedings involving our group companies, please see *"Outstanding Litigation and Material Developments"* on Page 244 of this Red Herring Prospectus.

PAYMENT OR BENEFIT TO OUR GROUP COMPANIES

Except as stated in chapter titled *"Related Party Transactions"* beginning on page 199 of this Red Herring Prospectus, there has been no payment of benefits to our Group Companies during the period/financial years ended March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013, and March 31, 2012 nor is any benefit proposed to be paid to them.

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to the section titled, *Financial Statements as restated*' beginning on page 201 of this Red Herring Prospectus.

DIVIDEND POLICY

Under the Companies Act, 2013, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. Under the Companies Act, 2013 dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not paid any dividend for the last five years and till March 31, 2016.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the "record date" are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

SECTION V: FINANCIAL STATEMENTS

FINANCIAL STATEMENTS AS RESTATED

AUDITOR'S REPORT ON STANDALONE RESTATED FINANCIAL STATEMENTS

To,
The Board of Directors,
SAKAR HEALTHCARE LIMITED
Plot No. 10/13, Nr. M N. Desai Petrol Pump,
Sarkhej Bavla Highway,
Changodar, Ahmedabad – 382 213,
Gujarat, Indi

Dear Sir,

We have examined the restated financial information of Sakar Healthcare Limited (the 'Company') for the years ended on March 31, 2016, 2015, 2014, 2013 and 2012 annexed to this report for the purpose of inclusion in the offer document. This financial information has been prepared by the management and approved by the Board of Directors of the Company for the purpose of disclosure in the Prospectus being issued by the Company in connection with the proposed Initial Public Offering ('IPO') of equity shares.

This financial information has been prepared in accordance with the requirement of:

i) Part I of Chapter III to the Companies Act, 2013 ("Act");

ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;

iii) The terms of reference to our engagements with the Company letter dated 15.10.2015 requesting us to carry out the assignment, in connection with the Red Herring Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of NSE Limited("IPO" or "SME IPO"); and

iv) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("Guidance Note").

This Financial information has been compiled by the management from the audited financial statement of the Company for the March 31, 2016, 2015, 2014, 2013 and 2012.

A. Financial information as per the Restated Summary Statements of the Company:

1. We have examined the attached Summary Statement of Assets and Liabilities, As Restated (refer **Annexure** I) of the Company as at March 31, 2016, 2015, 2014, 2013 and 2012, the attached Summary Statement of Profits and Losses, As Restated (refer **Annexure II**) of the Company for the period ended March 31, 2016, 2015, 2014, 2013 and 2012 and also the Statement of Cash flows, As Restated (refer **Annexure III**) for the period ended March 31, 2016, 2015, 2014, 2013 and 2012 collectively referred to as 'Restated Summary Statements of the Company'. These Restated Summary Statements of the Company have been arrived at after making such adjustments and regroupings to the audited financial statements of the Company which are appropriate and are more fully described in the Statement of Notes to Restated Summary Statements of the Company in **Annexure IV**.
2. The Restated Summary Statements of the Company for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 including the adjustments and regroupings

discussed above, have been extracted from the audited financial statements of the Company. Audited financial statements of the Company as at and for the year / period ended March 31, 2016, 2015, 2014 and 2013 which have been audited by M/s. A. L. Thakkar & Co., Chartered Accountant and accordingly reliance has been placed on the financial information examined by him for the said years and audited financial statements of the Company as at and for the years ended March 31 2012, which have been audited by us, The financial report included for these years is based solely on the reports submitted by him. We make no representation / opinion regarding those audited financial statements.

3. Based on the above and also as per the reliance placed by us on the Audited Financial Statements of the Company which were audited by us and M/s. A. L. Thakkar & Co., Chartered Accountant, as referred in Para 2 above, we state that:

a) The Restated Summary Statements of the Company have to be read in conjunction with the Statement of Notes to Restated Summary Statements of the Company in **Annexure IV**;

b) The Restated Summary Statements of the Company have been restated with retrospective effect to reflect the accounting policies being adopted by the Company as at March 31, 2016, as stated in the Statement of Notes to Restated Summary Statements of the Company in **Annexure IV**;

c) The Restated profits have been arrived at after making such material adjustments and regroupings as, in our opinion, are appropriate in the period/year to which they relate as described in the Statement of Notes to Restated Summary Statements of the Company in **Annexure IV**;

d) There were no qualification in the Audit Reports for the financial year / period ended on March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 which would require adjustments in this Restated Financial Statements of the Company.

e) Emphasis of matter, in respect of which our opinion is not qualified included in Auditor's Report for the period ended March 31, 2016 and for the year ended March 31, 2015, which does not require adjustment to the Restated Financial Information.

f) There are no extra-ordinary items which need to be disclosed separately in the Restated Summary Statements of the Company.

4. We have not audited any financial statement of the company as of any date or for any period subsequent to March 31, 2016. Accordingly, we express no 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.

B. Other financial information:

5. We have examined the following 'Other financial information' as prepared by the management and approved by the Board of Directors and annexed to this report in respect of period ended March 31, 2016, and for the years ended March 31, 2015, 2014, 2013 and 2012 of the Company, proposed to be included in the offer document. In respect of the financial years ended March 31, 2016, 2015, 2014, 2013 and 2012 this information has been included based on the Audited Financial Statements of the Company which were audited by M/s A L Thakkar & Company, Chartered

Accountant and whose Auditor's Reports have been relied upon by us for the said years.

Annexure of Restated Financial Statements of the Company:

i) Standalone Statement of Share capital, reserves and surplus (**Annexure** A)
ii) Standalone Statement Of Long Term And Short Term Borrowings (**Annexure** B);
iii) Standalone Statement of Deferred tax asset/liabilities (**Annexure** C)
iv) Standalone Statement of Trade Payables and Other Current Liabilities (**Annexure** D);
v) Standalone Statement of Short-Term Provisions (**Annexure** E);
v) Standalone Statement of Fixed Assets (**Annexure** F);
vi) Standalone Statement of Long-Term Loans And Advances (**Annexure** G)
vii) Standalone Statement of Inventory (**Annexure** H)
viii) Standalone Statement of Trade Receivables (**Annexure** I)
ix) Standalone Statement of Cash and Bank Balances (**Annexure** J)
x) Standalone Statement of Short-Term Loans And Advances (**Annexure** K);
xi) Standalone Statement of Other Income (**Annexure** L);
xii) Standalone Statement of Cost of Material Consumed (**Annexure** M);
xiii) Standalone Statement of Changes in inventories of finished goods, WIP and Stock-in-Trade (**Annexure** N);
xiv) Standalone Statement of Employee Benefit Expenses (**Annexure** O);
xv) Standalone Statement of Financial Expenses (**Annexure** P);
xvi) Standalone Statement of Other Expenses (**Annexure** Q);
xvii) Standalone Statement of Capitalization as at 31st December2015 (pre-issue) and as adjusted for this issue (post issue) subject to reliance being placed on management representation in respect of post issue figures contained in the Statement of Capitalization (**Annexure** R)
xviii) Standalone Summary of Mandatory accounting ratios based on adjusted profits/losses, relating to earnings per share, net assets value per share and return on net worth (**Annexure** S)
xix) Standalone Statement of Tax Shelter (**Annexure** T)
xx) Standalone Statement of Related Party Transactions (**Annexure** U)

In our opinion, the 'Financial information as per the Restated Summary Statements of the Company' and 'Other financial information' mentioned above (read with respective Significant Accounting Policies and Statement of Notes to Restated Summary Statements in **Annexure** IV) and also as per reliance placed by us on the Audited Financial Statements of the Company which were audited by M/s. Shah and Dalal, Chartered Accountant, as referred to in Paragraph 2 above and prepared after making the adjustments and regrouping as considered appropriate have been prepared in accordance with Part II of Schedule II to the Act and the relevant provisions of the SEBI Regulations. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

6. 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 M/s A L Thakkar & Company or by us nor should it be construed as a new opinion on any of the financial statements referred to therein.
7. We have no responsibility to update our report for events and circumstances occurring after the date of this report.

8. This report is intended solely for your information and for inclusion in the Prospectus in connection with the proposed IPO of the equity shares of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For, SHAH & DALAL
Chartered Accountants
Firm Registration Number: 109432W
MALAY J. DALAL
Partner
Membership No.36776
Date: September 06, 2016
Place: Ahmedabad

ANNEXURE IV

NOTES TO RESTATED STANDALONE SUMMARY STATEMENT OF ASSETS AND LIABILITIES, STATEMENT OF PROFIT AND LOSS AND STATEMENT OF CASH FLOWS

1. Corporate information

Sakar Healthcare Limited ("the Company") is primarily engaged in the manufacture of pharmaceuticals formulations.

2. Basis of preparation

The Restated Standalone Summary Statement of Assets and Liabilities of the Company as at March 31, 2016, 2015, 2014, 2013 and 2012 and the related Restated Standalone Summary Statements of Profits and Losses and Cash Flows for the for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 [hereinafter collectively referred to as ('Restated Standalone Summary Statements')] have been compiled by the management from the standalone financial statements of the Company for the years ended March 31, 2016, 2015, 2014, 2013 and 2012.

The standalone financial statements of the Company for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 have been prepared in accordance with accounting principles generally accepted in India (Indian GAAP). The Company has prepared these Standalone Financial Statements to comply in all material respects with the accounting standards. The 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 in the previous years. Restated standalone summary statements have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with proposed Initial Public Offering of its equity shares. These Restated Standalone Summary Statements have been prepared to comply with the Accounting Standards as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 2013, as applicable.

3. Summary of significant accounting policies

(i) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(ii) Change in accounting estimate

Pursuant to the Companies Act, 2013 ('the Act') being effective from April 1, 2014, the Company has revised the depreciation rates on its fixed assets as per the useful lives specified in Part C of the Schedule II of the Act.

(iii) Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses and net of taxes, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of

bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

The Company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with MCA circular dated 9 August 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

(iv) Depreciation on tangible fixed assets and amortization of intangible assets

Depreciation is provided using the straight-line method as per the useful lives of assets estimated by the management, or at the rates as per the useful life prescribed under Schedule II of the Act (from April 1, 2014) and at the rates prescribed under Schedule XIV of the Companies Act, 1956 (from April 1, 2009 to March 31, 2014), whichever is higher.

(v) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

(vi) Leases

Where the Company is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

(vii) Borrowing costs

Borrowing cost includes interest and ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. Ancillary costs incurred in connection with arrangement of long term borrowings. All other borrowing costs are expensed in the period they occur.

(viii) Impairment of tangible and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset‘s recoverable amount. An asset‘s recoverable amount is the higher of an asset‘s or cash-generating unit‘s (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognised in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset‘s or cash-generating unit‘s recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset‘s recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

(ix) Investments

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(x) Inventories

Raw materials, components, stores and spares and packing materials are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components, stores and spares and packing material is determined on a weighted average basis.

Semi-finished goods and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods is determined on actual cost basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(xi) Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and that the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Dividends

Dividend income is recognised when the Company‘s right to receive dividend is established by the reporting date.

xii) Foreign currency translation

Foreign currency transactions and balances

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Exchange differences

The Company accounts for exchange differences arising on translation/settlement of foreign currency monetary items as below:

1) Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalised and depreciated over the remaining useful life of the asset.

2) Exchange differences arising on other long-term foreign currency monetary items are accumulated in the Foreign Currency Monetary Item Translation Difference Account and amortized over the remaining life of the concerned monetary item.

3) All other exchange differences are recognised as income or as expenses in the period in which they arise.

For the purpose of 1 and 2 above, the Company treats a foreign currency monetary item as long- term foreign currency monetary item‖, if it has a term of 12 months or more at the date of its origination. In accordance with MCA circular dated 09 August 2012, exchange differences for this purpose, are total differences arising on long-term foreign currency monetary items for the period. In other words, the Company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

xiii) Retirement and other employee benefits

Retirement benefit in the form of provident fund and superannuation fund are defined contribution schemes. The contributions to the provident fund and superannuation fund are charged to the statement of profit and loss for the year when the employee renders the related service. The Company has no obligation, other than the contribution payable to the provident fund and superannuation fund.

The Company provides gratuity expenses on the basis of actuarial valuation at each year- end. Actuarial valuation is carried out using the projected unit credit method. Actuarial gains and losses for the defined benefit plan are recognised in full in the period in which they occur in the statement of profit and loss.

xiv) Income Tax

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

In the situations where the Company is entitled to a tax holiday, no deferred tax (asset or liability) is recognised in respect of timing differences which reverse during the tax holiday period, to the extent the Company‘s gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of

timing differences which reverse after the tax holiday period is recognised in the year in which the timing differences originate. However, the Company restricts recognition of 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 realised. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax asset 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 realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set- off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

xv) Earning Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xvi) Provisions

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss, net of any reimbursement.

xvii) **Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

xviii) **Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less

NOTES TO RESTATED SUMMARY STATEMENT

The financial statements for the years ended March 31, 2012, March 31, 2013, March 31, 2014, March 31, 2015 and March 31, 2016 are prepared as per the revised schedule VI. Accordingly, the figures of the previous years have also been re-classified to conform to classification as per the revised schedule VI. The adoption of revised schedule VI for the figures of the previous years does not impact recognition and measurement principles followed for the preparation of these financial statements.

1. Related party transactions are already reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure U of the enclosed financial statements.
2. Figures have been rearranged and regrouped wherever practicable and considered necessary.
3. **Material Adjustments:**

   Appropriate adjustments have been made in the standalone restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Schedule VI and Accounting Standards.

   Statement of Adjustments in the financial statements:

Rs in Lakhs

Particulars	2015-16	2014-15	2013-14	2012-13	2011-12
Net Profits after tax and extraordinary items as per audited accounts but before Adjustments: (A)	221.79	186.71	175.34	144.73	102.92
Adjustment on Account of :					
Less: Expenses on Account of Prior Period Adjustments	(1.76)	1.61	0.15	0.22	3.76
Expenses on Account of Taxes	(9.28)	1.45	-	-	-

Total (B)	**(11.04)**	**3.06**	**0.15**	**0.22**	**3.76**
Net Profit as Restated (A+B)	**232.83**	**183.65**	**175.19**	**144.51**	**99.16**

4. **Provision for change in accounting policy**

No accounting Policies have been changed during the period from 1st April 2012 to 31st March 2016.

ANNEXURE I: STANDALONE SUMMARY STATEMENT OF ASSETS AND LIABILITIES (AS RESTATED)

Rs. In Lakhs

Particulars	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Equity Liabilities					
Share Holder's Fund					
(a) Share Capital	800.00	800.00	800.00	800.00	800.00
(b) Reserve & Surplus	915.60	682.77	499.12	323.93	179.42
(c) Share Application Money Pending Allotement	--	--	88.00	88.00	88.00
Non Current Liabilities					
(a) Long Term borrowings	1,542.11	1,878.18	1,760.63	1,980.63	2,338.24
(b) Deferred Tax Liabillities	633.32	633.32	626.37	602.68	571.05
(c) Long Term Provisions					
Current Liabilities					
(a) Short Term borrowings	391.12	596.83	671.99	719.83	900.28
(b) Trade Payables	397.56	96.09	352.21	252.40	142.91
(c) Other Current Liabilities	399.47	292.22	413.66	228.69	50.46
(d) Short Term Provisions	31.77	38.09	21.69	13.21	17.85
Total	**5,110.95**	**5,017.50**	**5,233.67**	**5,009.37**	**5,088.21**
Assets					
Non Current Assets					
(a) Fixed Assets	3,724.95	3,618.32	3,801.14	3,740.95	3,657.82
(b) Non Current Investment	--	--	--	--	--
(C) Deferred Tax Assets	--	---	--	--	--
(d) Long Term Loans and Advances	28.26	28.26	28.26	28.26	28.26
(e) Other Non Current Assets	--	--	--	--	--
Current Assets					
(a) Current Investment	--	--	--	--	--
(b) Inventories	644.71	673.81	687.42	650.73	483.34
(c) Trade Receivable	297.66	200.53	224.99	134.45	110.76
(d) Cash and Bank Balances	22.93	93.32	8.99	16.60	370.65
(e) Short Term Loans and Advacnes	392.44	403.26	482.87	438.38	437.38
(f) Other Current Assets	--	--	--	--	--
Total	**5,110.95**	**5,017.50**	**5,233.67**	**5,009.37**	**5,088.21**

ANNEXURE II: STANDALONE STATEMENT OF PROFIT AND LOSS ACCOUNT (AS RESTATED)

Rs in Lakhs

Particulars	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Revenue from operations:	4122.60	3,502.73	2,968.64	2,190.71	1,619.16
Other income	20.64	2.54	2.39	6.36	7.57
Total Revenue	**4,143.24**	**3,505.27**	**2,971.03**	**2,197.07**	**1,626.73**
Expenses:					
Cost of Material Consumed	2,187.60	1,824.14	1,273.90	925.66	472.41
Changes in inventories of finished goods, WIP and Stock-in-Trade	9.16	(90.86)	49.00	(79.64)	(29.36)
Employee benefits expense	478.90	400.21	332.15	247.54	174.15
Finance costs	293.61	298.52	374.58	384.28	377.53
Depreciation and amortization expense	273.36	249.63	211.90	197.66	185.65
Preliminary Expenses written off					
Other expenses	612.78	582.03	529.12	343.58	300.41
Total Expenses	**3,855.41**	**3,263.67**	**2,770.65**	**2,019.08**	**1,480.79**
Profit before extraordinary items and tax	**287.83**	**241.60**	**200.38**	**177.99**	**145.94**
Extraordinary item					
Profit Before Tax	**287.83**	**241.60**	**200.38**	**177.99**	**145.94**
Provision for Tax					
- Current Tax	55.00	51.00	41.60	36.75	35.91
- Fringe Benefit Tax					
- Tax adjustment of prior years					
- Deferred Tax Liability / (Asset)	-	6.95	23.69	31.63	45.38
- MAT Credit	0.00	0.00	(40.10)	(34.90)	(34.51)
Restated profit after tax from continuing operations	**232.83**	**183.65**	**175.19**	**144.51**	**99.16**
Restated profit for the year					
Balance brought forward from previous year	522.77	339.12	163.93	19.42	(79.74)
Accumulated Profit/ (Loss) carried to Balance Sheet	755.60	522.77	339.12	163.93	19.42

ANNEXURE III: STANDALONE SUMMARY STATEMENT OF ASSETS AND LIABILITIES (AS RESTATED)

Rs in Lakhs

Particulars	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
1.Cash Flow From Operating Activities:					
Net Profit before tax and extraordinary item	287.83	241.60	200.38	177.99	145.94
Adjustments for:					
Depreciation and amortization expense	273.36	249.63	211.90	197.66	185.65
MAT Credit			40.10	34.90	34.51
Interest Paid	293.61	298.52	374.58	384.28	377.53
Provision for Gratuity					
(Profit)/Loss on sale of Fixed Assets					
Interest Received/ Other Non Operative Receipts	20.64	2.54	2.39	6.36	7.57
Operating Profit before Working Capital Changes	834.16	787.21	824.57	788.47	736.06
Adjustments for:					
Inventories	(29.10)	(13.61)	36.69	167.39	(43.93)
Trade Receivables	97.13	(24.46)	90.54	23.69	(166.12)
Short term loans and advances and other current assets	-10.82	-79.61	44.49	1.00	-197.38
Short term borrowings	(205.71)	(75.16)	(47.84)	(180.45)	242.02
Trade Payables	301.47	-256.12	99.81	109.49	-157.81
Other Current Liabilities	100.93	-105.04	193.45	173.59	-55.21
Cash Generated from Operation	**973.64**	**468.57**	**898.27**	**699.02**	**1,172.49**
Taxes Paid	55.00	51.00	41.60	36.75	35.91
Net Cash from Operating Activities	**918.64**	**417.57**	**856.67**	**662.27**	**1,136.58**
2. Cash Flow From Investing Activities:					
Fixed Assets Purchased	379.99	66.81	272.09	280.79	432.35
Increase Capital Work In Progress					
Sale of Fixed Assets					
Interest Received	20.64	2.54	2.39	6.36	7.57
Long/Short Term Loans and Advance	0.00	0.00	0.00	0.00	0.00
Long Term Provisions					
Interest on Fixed Deposit					
Net Cash from Investing Activities	**-359.35**	**-64.27**	**-269.70**	**-274.43**	**-424.78**
3. Cash Flow From Financing Activities:					
Payments of short term borrowings					
Interest Paid	293.61	298.51	374.58	384.28	377.53
Interest received					

Particulars	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Proceeds from issue of shares	0.00	-88.00	0.00	0.00	0.00
Proceeds from Long term borrowings	-336.07	117.54	-219.99	-357.61	-6.00
Short Term Loans & Advances given					
Preliminary Expenses incurred					
Security premium received					
Transfer of Share Application Money					
Net Cash from Financing Activities	**-629.68**	**-268.97**	**-594.57**	**-741.89**	**-383.53**
Net Increase/ (Decrease) in Cash & Cash Equivalents	**-70.39**	**84.33**	**-7.60**	**-354.05**	**328.27**
Cash & Cash Equivalents at the beginning of the year	93.32	8.99	16.60	370.65	42.38
Cash & Cash Equivalents at the end of the year	22.93	93.32	9.00	16.60	370.65

ANNEXURE A: STANDALONE STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS

Rs in Lakhs

PARTICULARS	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Share Capital					
Authorised Share Capital	1,200.00	1,200.00	800.00	800.00	800.00
1,20,00,000 Equity shares of Rs.10 each					
Share Capital					
Issued, Subscribed and Paid up Share Capital					
80,00,000 Equity Shares of Rs. 10 each fully paid up					
Share Capital (in Rs.)	800.00	800.00	800.00	800.00	800.00
Share Appliication Money received	-	-	88.00	88.00	88.00
Total	800.00	800.00	888.00	888.00	888.00
Reserves and Surplus					
Profit and Loss account					
Opening Balance	522.77	339.12	163.93	19.42	(79.74)
Add : Profit During the Year	232.83	183.65	175.19	144.51	99.16
Closing Balance	755.60	522.77	339.12	163.93	19.42
Share Premium Account	160.00	160.00	160.00	160.00	160.00
Total	**915.60**	**682.77**	**499.12**	**323.93**	**179.42**

Number of Equity Shares held by each shareholder holding more than 5% shares in the company are as follows:

Particulars	Number of shares as at 31st March , 2016	% of shares held	Number of shares as at 31st Mar, 2015	% of shares held	Number of shares as at 31st Mar, 2014	% of shares held	Number of shares as at 31st Mar, 2013	% of shares held	Number of shares as at 31st Mar, 2012	% of shares held	Number of shares as at 31st Mar, 2011
Sanjay.Shah	446750	55.84%	446750	55.84%	338750	42.34%	338750	42.34%	338750	42.34%	338750
Ritaben.Shah	245000	3.06%	245000	3.06%	612500	7.66%	187250	23.40%	187250	23.40%	187250
Surendra Shah	1400000	17.50%	1400000	17.50%	1400000	17.50%	1400000	17.50%	1400000	17.50%	1400000
Aarsh Shah	130750	16.34%	130750	16.34%	70000	8.75%	--	--	--	--	--

Particulars	Number of shares as at 31st March , 2016	% of shares held	Number of shares as at 31st Mar, 2015	% of shares held	Number of shares as at 31st Mar, 2014	% of shares held	Number of shares as at 31st Mar, 2013	% of shares held	Number of shares as at 31st Mar, 2012	% of shares held	Number of shares as at 31st Mar, 2011
Sheelaben Shah	--	--	--	--	--	--	700000	8.75 %	700000	8.75 %	700000
Airmex (Guj) Pvt.Ltd.	400000	5.00 %	400000	5.00 %	400000	5.00 %	400000	5.00 %	400000	5.00 %	400000

ANNEXURE B :STANDALONE STATEMENT OF LONG TERM AND SHORT TERM BORROWINGS

Rs in Lakhs

PARTICULARS	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Long Term Borrowings					
Term Loans					
Term Loan From State Bank of India	806.41	1,101.94	1,350.27	1,520.18	1,782.58
Loans and advances from related parties (Unsecured)					
From Shareholders	735.70	776.24	410.36	460.45	555.66
TOTAL of Long Term Borrowing (A)	**1,542.11**	**1,878.18**	**1,760.63**	**1,980.63**	**2,338.24**
Current portion of long-term borrowings, included under Other current liabilities					
Short Term Borrowings					
From Banks- Cash Credit (Secured)	391.12	596.83	671.99	719.83	900.28
TOTAL Of Short Term Borrowing (B)	**391.12**	**596.83**	**671.99**	**719.83**	**900.28**
The above amount includes:					
secured borrowings	1,197.53	1,698.77	2,022.26	2,240.01	2,682.86
Unsecured Borrowings	735.70	776.24	410.36	460.45	555.66
TOTAL (A+B)	**1,933.23**	**2,475.01**	**2,432.62**	**2,700.46**	**3,238.52**

ANNEXURE B1:STANDALONE STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGES AS SECURITY

Rs in Lakhs

Name of Lender	Type of Loan Facility	Amount Outstanding as at March 31, 2012	Amount Outstanding as at March 31, 2013	Amount Outstanding as at March 31, 2014	Amount Outstanding as at March 31, 2015	Amount Outstanding as at March 31, 2016	Rate of Interest (%)	Repayment Schedule	Security
State Bank of India	Term Loan	1,818.58	1,721.18	1,551.27	1,314.94	1,084.86	Installment	Monthly	Factory Land. Building & Plant & Machineries

ANNEXURE C: STANDALONE STATEMENT OF DEFERRED TAX ASSETS / (LIABILITIES)

Rs in Lakhs

PARTICULARS	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Opening Balance of Deferred Tax Asset / (Liability)	633.32	626.37	602.68	571.05	525.67
DTA / (DTL) on Timing Difference in Depreciation as per Companies Act and Income Tax Act.	-	-	-	-	-
DTA / (DTL) on carry Forward Losses					
DTA / (DTL) on allowances and disallowances u/s. 43B of Income Tax Act	-	-	-	-	-
Provision of DTA / (DTL) for the period of audit	-	6.95	23.69	31.63	45.38
Closing Balance of Deferred Tax Asset / (Liability)	633.32	633.32	626.37	602.68	571.05

ANNEXURE D:STANDALONE STATEMENT OF TRADE PAYABLES AND OTHER CURRENT LIABILITIES

Rs in Lakhs

PARTICULARS	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
TRADE PAYABLES					
Creditors for Goods	109.89	50.42	178.83	126.38	25.43
Creditors for Capital Goods & Others	287.67	45.67	173.38	126.02	117.48
TOTAL OF TRADE PAYABLES (A)	**397.56**	**96.09**	**352.21**	**252.40**	**142.91**
OTHER CURRENT LIABILITIES					
Other Liabilities	39.83	38.51	29.13	27.69	14.46
Secured Loan Repayble within Twelve Months	278.45	213.00	201.00	201.00	36.00
Advance from customers	81.19	40.71	183.53		
TOTAL OF OTHER CURRENT LIABLITIES(B)	**399.47**	**292.22**	**413.66**	**228.69**	**50.46**
TOTAL OF (A+B)	**797.03**	**388.31**	**765.87**	**481.09**	**193.37**

ANNEXURE E: :STANDALONE STATEMENT OF SHORT-TERM PROVISIONS

Rs in Lakhs

PARTICULARS	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Provisions					
Provision for Gratuity	12.91	11.77	9.47	6.68	4.35
Provision for Taxation (Net of Adv. Tax)	18.86	26.32	12.22	6.53	13.50
TOTAL	**31.77**	**38.09**	**21.69**	**13.21**	**17.85**

ANNEXURE F:STANDALONE STATEMENT OF FIXED ASSETS

Rs in Lakhs

PARTICULARS	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Gross Block					
Airconditioner	59.6	56.31	53.27	15.76	13.93
Boiler	19.03	19.03	19.03	19.03	19.03
Computer	60.61	43.14	38.99	24.67	21.33
D.G.set	39.64	39.64	39.64	39.64	39.64
Cycle	0.02	0.02	0.02	0.02	0.02
Electrification	279.57	269.53	267.60	252.95	239.99
Building	1127.5	1097	1087.10	994.77	860.20
Factory land	55.48	55.48	55.48	55.48	55.48
Furniture	146.04	105.87	94.77	62.39	56.38
Others Equipments	106.02	69.75	53.62	50.73	43.45
Telephone Instruments	2.35	1.7	0.71	0.71	0.60

PARTICULARS	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Laboratory Instruments	199.51	109.15	100.08	86.58	82.33
Plant & Machinery	3078.38	2934.96	2934.80	2901.77	2799.16
Scale	2.14	2.04	2.04	1.64	1.64
Trolly	21.64	21.64	21.64	0.91	0.91
Vehicles	61.73	54.03	43.68	33.34	25.49
(A) Total :	5259.26	4879.29	4812.47	4540.39	4259.58
Accumulated Depreciation					
Airconditioner	12.54	8.87	5.40	3.15	2.43
Boiler	7.69	6.78	5.88	4.98	4.07
Computer	45.24	27.59	14.33	9.64	8.52
D.G.set	14.95	13.07	11.18	9.3	7.42
Cycle	0.02	0.02	0.02	0.02	0.02
Electrification	116.79	90.43	64.82	50.62	38.79
Building	231.22	195.52	160.91	127.04	95.53
Factory land	0	0	0	0	0
Furniture	45.06	32.47	22.59	17.84	14.06
Others Equipments	18.24	13.81	10.59	8.81	6.44
Telephone Instruments	0.65	0.42	0.31	0.27	0.22
Laboratory Instruments	51.82	35.18	24.83	20.34	16.31
Plant & Machinery	965.8	820.98	681.57	542.78	406.21
Scale	0.68	0.58	0.48	0.42	0.35
Trolly	2.79	1.77	0.73	0.20	0.15
Vehicles	20.83	13.49	7.69	4.03	1.24
(B) Total :-	1534.32	1260.98	1011.33	799.44	601.76
Net Block					
Airconditioner	47.06	47.44	47.87	12.61	11.50
Boiler	11.34	12.25	13.15	14.05	14.96
Computer	15.37	15.55	24.66	15.03	12.81
D.G.set	24.69	26.57	28.46	30.34	32.22
Cycle	-	-	-	-	-
Electrification	162.78	179.10	202.78	202.33	201.20
Building	896.28	901.48	926.19	867.73	764.67
Factory land	55.48	55.48	55.48	55.48	55.48
Furniture	100.99	73.41	72.18	44.55	42.32
Others Equipments	87.78	55.94	43.03	41.92	37.01
Telephone Instruments	1.70	1.28	0.40	0.44	0.38
Laboratory Instruments	147.69	73.97	75.25	66.24	66.02
Plant & Machinery	2,112.58	2,113.98	2,253.23	2,358.99	2,392.95
Scale	1.46	1.46	1.56	1.22	1.29
Trolly	18.85	19.87	20.91	0.71	0.76
Vehicles	40.90	40.54	35.99	29.31	24.25
Total	**3,724.95**	**3,618.32**	**3,801.14**	**3,740.95**	**3,657.82**

ANNEXURE G: STANDALONE STATEMENT OF LONG-TERM LOANS AND ADVANCES

Rs in lakhs

PARTICULARS	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Unsecured, Considered Good unless otherwise stated					
From Directors/ Promoters/ Promoter group /Associates/ Relatives of Directors/Subsidiary, Group Company					
From Others					
Security Deposit (GEB & Gas)	28.26	28.26	28.26	28.26	28.26
TOTAL	**28.26**	**28.26**	**28.26**	**28.26**	**28.26**

ANNEXURE H: STANDALONE STATEMENT OF INVENTORY

Rs in lakhs

Particulars	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Raw Material/Packing Material/ Stores & Consumables	333.60	353.54	458.01	372.32	284.57
Finished Goods / Stock in process	311.11	320.27	229.41	278.41	198.77
	644.71	673.81	687.42	650.73	483.34

ANNEXURE I: STANDALONE STATEMENT OF TRADE RECEIVABLES

Rs in lakhs

PARTICULARS	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Outstanding for a period exceeding six months (Unsecured and considered Good)	-	-	-	-	-
Unsecured and considered Good	-	-	-	-	-
From Directors/ Promoters/ Promoter group /Associates/ Relatives of	-	-	-	-	-

PARTICULARS	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Directors/Subsidiary, Group Company					
Others	-	-	-	-	-
Outstanding for a period not exceeding 6 months (Unsecured and considered Good)	-	-	-	-	-
Unsecured and considered Good	-	-	-	-	-
From Directors/ Promoters/ Promoter group /Associates/ Relatives of Directors/Subsidiary, Group Company	-	-	-	-	-
Others	297.66	200.53	224.99	134.45	110.76
TOTAL	**297.66**	**200.53**	**224.99**	**134.45**	**110.76**

ANNEXURE J: STANDALONE STATEMENT OF CASH AND BANK BALANCES

Rs in lakhs

Particulars	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Cash and Cash Equivalents					
Cash in hand	5.73	3.49	1.10	0.99	0.37
Balance with Schedule Bank	17.20	89.83	7.89	15.61	370.28
TOTAL :-	22.93	93.32	8.99	16.60	370.65

ANNEXURE K: STANDALONE STATEMENT OF SHORT-TERM LOANS AND ADVANCES

Rs in lakhs

PARTICULARS	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Unsecured, Considered Good unless otherwise stated					
Advance recoverable in cash on Kind	21.43	22.87	8.23	4.85	4.29
Excise Account	133.74	135.29	248.64	255.73	293.56
TDS Receivable	-	-	-	-	-
Vat Receivable	57.99	63.57	43.69	37.71	32.97
Prepaid Expenses	7.01	8.25	7.41	6.28	4.45
Advance against Capital Goods	3.74	4.75	3.74	2.75	5.95
Advance FBT Exp.	-	-	-	-	-
Advance Income Tax	-	-	-	-	-
MAT Credit	168.53	168.53	171.16	131.06	96.16
TOTAL	392.44	403.26	482.87	438.38	437.38

ANNEXURE L: STANDALONE STATEMENT OF OTHER INCOME

Rs in lakhs

PARTICULARS	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
GEB Deposit Interest Income	2.28	2.53	2.39	2.67	1.86
F. D. Interest				3.69	2.88
Rate Difference					2.83
Income Tax refund		0.01			
Reimbursement of Expenses					
(Testing & Analysis Charges)					
Export Incentive	18.36				
TOTAL	20.64	2.54	2.39	6.36	7.57

ANNEXURE M: STANDALONE STATEMENT OF COST OF MATERIAL CONSUMED

Rs in lakhs

PARTICULARS	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Opening Stock of Material (RM/PM/Consumable)	353.54	458.01	372.32	284.57	357.86
Add : Material Purchased during the year	2167.66	1719.67	1359.59	1013.41	399.12
Total :-	2521.20	2177.68	1731.91	1297.98	756.98
Less : Closing Stock of Material (RM/PM/Consumable)	333.60	353.54	458.01	372.32	284.57
Consumption of Material	2187.60	1824.14	1273.9	925.66	472.41

ANNEXURE N: STANDALONE STATEMENT OF CHANGES IN INVENTORIES OF FINISHED GOODS, WIP AND STOCK-IN-TRADE

Rs in lakhs

PARTICULARS	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Opening Stock	320.27	229.41	278.41	198.77	169.41
Closing Stock	311.11	320.27	229.41	278.41	198.77
Change in Inventory	9.16	-90.86	49.00	-79.64	-29.36

ANNEXURE O: STANDALONE STATEMENT OF EMPLOYEE BENEFITS EXPENSES

Rs in lakhs

PARTICULARS	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Employee Benefit Expenses					
Salary & Wages & Bonus	440.35	373.06	296.90	227.70	156.90
Director Remuneration	30.38	20.50	29.60	11.40	11.52
Staff Welfare Exps.	2.36	1.31	0.62	3.04	0.98
P.F. (Employer's Contribution)	2.70	1.62	1.17	1.61	1.48
ESIC (Employer's Contribution)	1.96	1.42	1.08	1.45	1.43
Gratuity Expense	1.15	2.30	2.78	2.34	1.85
TOTAL	478.90	400.21	332.15	247.54	174.15

ANNEXURE P: STANDALONE STATEMENT OF FINANCIAL EXPENSE

Rs in lakhs

PARTICULARS	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Finance Costs					
Bank Charges	9.60	6.13	5.14	2.18	0.75
Bank Interest on Cash Credit	74.70	82.73	90.92	86.02	159.62
Bank Interest on Term Loan	209.31	209.66	278.52	296.08	217.16
Total Finance Costs	293.61	298.52	374.58	384.28	377.53

ANNEXURE Q: STANDALONE STATEMENT OF OTHER EXPENSE

Rs in lakhs

PARTICULARS	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Other Expenses					
Electricity Expenses	5.05	3.49	7.55	3.31	3.17
Stores/ Comsumable exp.	34.42	31.66	28.60	21.50	16.32
Testing & Analysis/Laboratory exp.	16.41	4.54	21.57	17.87	11.00
Repairs & Maintenance (Machine)	13.63	24.74	19.60	5.00	4.93
Power & Fuel Exp.	317.68	323.73	280.09	209.05	171.84
Advertisement Expense	6.51	0.26		1.19	0.10
Audit Fees	0.85	0.56	0.56	0.56	0.56
Business Develoment Exp.	10.42	3.77	1.57	0.99	0.86
Repair & Maintainance - Computer	3.73	1.65	1.69	-	-
Commission Expenses	8.43	0.02	-	0.30	1.20
Courier Expenses	5.94	15.13	16.89	4.39	2.65
Donation					
General Expense	7.83	10.96	20.52	12.55	7.48
Export Expenses	33.3	4.26	7.38	4.27	0.01
Excise Expense		-	0.12	0.02	0.41
Food & Refreshments	8.91	7.53	10.07	10.31	3.94
FBT Exp.					
Deferred Revenue & Pre.Exp.W/f					
Insurance Exps	5.31	4.93	5.00	4.57	6.11
Hygiene & Maintenance Expenses	8.18	2.88	8.58	4.98	1.73
ISO Certificate Charges	0.2	0.73	0.19	0.18	0.78
Income Tax	0	0.10		0.01	22.09
License Fees	1.43	0.48	0.40	0.07	1.44

PARTICULARS	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
loading & Unloding Charges	0.16	0.04	0.14	0.05	0.18
Legal Expenses	0.1	-	0.95	-	0.34
Packing Expenses	12.39	8.55	6.39	3.29	3.35
Product Premission Charges	4.99	4.18	6.45	-	
Membership & subscription	0.47	0.58	0.25	0.16	0.12
Issue Exps	15.62	8.79	-	-	-
Panchayat Tax	0.33		0.05	-	
Product Registration Charges	17.28	53.57	24.23	1.11	0.18
Printing & Stationary	9.51	6.72	6.11	4.33	4.39
Professional & Legal Fees	3.58	4.95	3.66	2.75	1.54
Professional Tax	0.289	0.02	0.03	0.02	0.02
Repairs & Maintenance Building	14.73	8.54	5.86		
Repairs & Maintenance other	9	1.21	0.59	8.77	7.60
ROC Exps	0	4.08			
Rent Expenses	0				1.75
Service Tax Expenses	1	0.09	0.17	0.08	0.06
Security expenses	0				6.12
Stamp Duty Charges	0				
Travelling Exps & Conveyance	10.97	16.45	30.05	10.09	4.56
Telephone /Mobile /internet Expenses	5.64	7.91	4.37	3.92	2.55
Freight and Transportation (other)	5	3.13	8.04	2.79	2.69
Vehical Expenses	3.9	3.33	3.31	4.44	4.55
Interest on TDS	0.24	-	0.08	0.06	0.03
Misc. Expenses	9.14	-	-	0.22	3.76
Vatva & Kasar Expenses	0.21	8.02	(1.99)	0.38	0.00
VAT Exps	0.00	0.45	-	-	0.00
TOTAL	612.78	582.03	529.12	343.58	300.41

ANNEXURE R: STANDALONE CAPITALISATION STATEMENT

Rs in lakhs

PARTICULARS	Pre-Issue	Post-Issue*
	31-Mar-16	
Debt		
Short Term Debt	1,219.92	[●]
Long Term Debt	1,542.11	[●]
Total Debt	2,762.03	[●]
Shareholders' Fund (Equity)		
Share Capital	800.00	1,096.10
Reserves & Surplus	915.60	[●]

PARTICULARS	Pre-Issue	Post-Issue*
	31-Mar-16	
Less: Miscellaneous Expenses not w/off	-	[●]
Total Shareholders' Fund (Equity)	1,715.60	[●]
Long Term Debt/Equity	0.90	[●]
Total Debt/Equity	1.61	[●]

ANNEXURE S: STANDALONE MANDATORY ACCOUNTING RATIOS

Rs in lakhs

PARTICULARS	As at				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Face Value per equity Share (in Rs.)	10.00	10.00	10.00	10.00	10.00
Earnings/ (losses) Per Share (in Rs.)					
- Basic Earnings/ (losses) Per Share [a/b]	2.91	2.30	2.19	1.81	1.24
- Diluted Earnings/ (losses) Per Share [a/c]	2.91	2.30	2.19	1.81	1.24
(ii) Return on Net Worth (in %) [a/e]	13.57%	12.39%	13.49%	12.86%	10.12%
(iii) Net Assets Value per Share (in Rs.) [e/d]	21.45	18.53	16.24	14.05	12.24
(a) Net profit available for appropriation (as restated)	232.83	183.65	175.19	144.51	99.16
(b) Weighted average numbers of equity shares for calculating Basic EPS.	80,00,000.00	80,00,000.00	80,00,000.00	80,00,000.00	80,00,000.00
(c) Weighted average numbers of equity shares for calculating diluted EPS.	80,00,000.00	80,00,000.00	80,00,000.00	80,00,000.00	80,00,000.00
(d) No. of equity shares outstanding at the end of the year/ period.	80,00,000.00	80,00,000.00	80,00,000.00	80,00,000.00	80,00,000.00
(e) Net Worth as at the end of the period/year	1,715.60	1,482.77	1,299.12	1,123.93	979.42

ANNEXURE T:STANDALONE STATEMENT OF TAX SHELTER

Rs in lakhs

Particulars	For the Year / period ended				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Restated Profit before tax (A)	287.831	241.6	200.38	177.99	145.94
Normal Tax rate	30.00%	30.00%	30.00%	30.00%	30.00%
Tax rate for MAT	18.50%	18.50%	18.50%	18.50%	18.50%
Tax Expenses	86.35	72.48	60.11	53.40	43.78
Adjustments:					
Permanent Differences:					
Exps. Inadmissible u/s. 40(a) / 40(a)(ia)	1.76	0.25	0.30	37.67	23.32
Other disallowance	-	4.08	-	-	-
Total Permanent Difference (B)	**1.76**	**4.33**	**0.30**	**37.67**	**23.32**
Temporary Difference					
Sec 40a(ia) (Net off claimed of earlier years)	1.15	2.55	2.78	2.34	1.85
Difference between book depreciation & tax depreciation	(4.85)	(21.43)	(73.00)	(97.50)	(139.86)
Total Temporary Difference (C)	**(3.70)**	**(18.88)**	**(70.22)**	**(95.16)**	**(138.01)**
Other Adjustments:(D)					
Brought Forward Losses adjusted	-	(74.30)	(204.70)	(321.63)	(28.23)
Total Adjustments (B+C+D)	(1.94)	(88.85)	(274.61)	(379.12)	(142.92)
Tax expense/(saving) thereon	(0.58)	(26.65)	(82.38)	(113.74)	(42.88)
Total Tax Payable:					
Tax Payable for the current year under normal tax - (a)	85.77	45.83	-	-	0.91
Adjustment for MAT		-	-	-	23.97
Tax Payable for the current year under MAT - (b)	53.25	44.70	37.07	32.93	31.43
Maximum of (a)	85.77	45.83	37.07	32.93	31.43

Particulars	For the Year / period ended				
	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
and (b)					
Add : Surcharge and Education Cess	8.76	3.73	3.02	2.68	2.56
TOTAL	94.52	49.56	40.09	35.61	33.99

ANNEXURE U: RELATED PARTY TRANSACTIONS

1. Related parties

Related Party	Designation	Nature of the Relationship
Mr. Sanjay S Shah	Director	Spouse of Mrs. Rita S Shah, Father of Mr. Aarsh S Shah & Ms. Ayushi S Shah
Mrs. Rita S Shah	Director	Spouse of Mr. Sanjay S Shah, Mother of Mr. Aarsh S Shah & Ms. Ayushi S Shah
Mr. Aarsh S Shah	Director	Son of Mr. Sanjay S Shah & Mrs. Rita S Shah, Brother of Ms. Ayushi S Shah
Ms. Ayushi S Shah	-	Daughter of Mr. Sanjay S Shah & Mrs. Rita S Shah, Sister of Mr. Aarsh S Shah

2. Details of the transactions during the period

(Rs. In lakhs)

Name of the Related Party	Nature of the Transaction	For six Year ended on March 31,2016	For the year ended on March 31, 2015	For the year ended on March 31, 2014	For the year ended on March 31, 2013	For the year ended on March 31, 2012
Sanjay S Shah	Unsecured Loan Received*	-	-	-	215.13	-
Sanjay S Shah	Unsecured Loan Repaid*	40.55	-	60.43	-	20.74
Sanjay S Shah	Remuneration	11.05	10.50	10.20	7.20	6.72
Rita S Shah	Remuneration	5.20	5.00	9.34	4.20	4.80
Aarsh S Shah	Remuneration	10.40	5.00	10.06	4.80	4.80
Ayushi S Shah	Salary	5.20	5.00	8.06	4.91	4.82

**The unsecured loans are of non-interest bearing nature and do not have any pre-conditions for repayment.*

3. Details of the transactions outstanding

(Rs. In lakhs)

Name of the Related Party	Nature of the Transaction	As on March 31, 2016	As on March 31, 2015	As on March 31, 2014	As on March 31, 2013	As on March 31, 2012
Sanjay S Shah	Unsecured Loan (Opening Balance)	776.24	710.36	770.79	555.66	576.40
Sanjay S Shah	Unsecured Loan (Closing Balance)	735.70	776.24	710.36	770.79	555.66

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion of our financial condition and results of operations should be read in conjunction with our restated standalone financial statements for financial year ended 2016, 2015, and 2014 prepared in accordance with the Companies Act and Indian GAAP and restated in accordance with the SEBI (ICDR) Regulations, including the schedules, annexures and notes thereto and the respective auditors reports thereon, included in the section titled *"Financial Statements"* on page 201 of this Red Herring Prospectus.

Indian GAAP differs in certain material aspects from U.S. GAAP and IFRS. 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 reconciliation of our financial statements to those under U.S. GAAP or IFRS. 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 SEBI (ICDR) Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in *"Risk Factors"* and *"Forward-Looking Statements"* on pages 19 and 18, of this Red Herring Prospectus beginning respectively.

The Management's Discussion and Analysis of Financial Condition and Results of Operations, reflects the analysis and discussion of our financial condition and results of operations for the financial years ended March 31 2016, 2015 and 2014.

OVERVIEW

Our Company was incorporated as "Sakar Healthcare Private Limited" at Ahmedabad, Gujarat as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 26, 2004 bearing corporate identification number U24231GJ2004PTC43861 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, our Company was converted into public company pursuant to shareholders resolution passed in the Extraordinary General Meeting held on March 09, 2015 and the Company was converted into a public limited Company vide fresh certificate of incorporation issued on March 27, 2015 by Registrar of Companies, Gujarat, Ahmedabad and the name of our Company was changed to "Sakar Healthcare Limited". The Corporate Identification Number of our Company is U24231GJ2004PLC043861.

We manufacture and market pharmaceutical formulations relating to analgesics, antielminthics, anti coagulants, anti malarial, anti spasmodics, antianemics, antibiotics, anti-emetics, anti-histamines, bronchodilators, corticosteroids, cough and cold preparations, multivitamins, etc.

The Registered office and manufacturing facilities of our Company are located at Plot No. 10/13, Near M.N.Desai Petrol Pump, Sarkhej Bavla Highway, Changodar, Ahmedabad – 382 213, Gujarat. Our production facility is divided into four manufacturing plants namely Plant I, II, III and IV spread across 10,022 square meters having different product manufacturing capabilities and process. Each of the facilities is designed equipped and operated to deliver desired products

We are an Indian pharmaceutical company engaged in contract manufacturing of formulations for pharmaceutical companies based in India as well as in the manufacturing and marketing of our own pharmaceutical formulations for domestic and international markets, wherever applicable, please refer to chapters titled *"Our Business", "Financial Statements as Restated", "Management's Discussion and Analysis of Financial Condition and Results of Operation", "Government and Other Statutory Approvals"* beginning on page 140, 201, 232 and 250 respectively.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

To our knowledge, except as otherwise disclosed in this Red Herring Prospectus, there have been no significant developments after the date of our financial statements contained in this Red Herring Prospectus which materially affect, or are likely to affect, our operations or profitability, or the value of our assets, or our ability to pay our material liabilities, within the next 12 months.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "Risk Factor" beginning on page 19 of this Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- General economic and business conditions.
- Company's inability to successfully implement its growth and expansion plans;
- Increasing competition in the pharmaceutical industry;
- Increase in labour costs, raw material prices, prices of plant and machineries and insurance
- premiums;
- Delay in recovery of debts from the clients;
- Changes in laws and regulations that apply to Pharmaceutical Industry;
- Any change in the tax laws granting incentives to Pharmaceutical Industry.

Increase in employee costs may have a material adverse impact on our results of operations.

DISCUSSION ON RESULT OF OPERATION

The following discussion on results of operations should be read in conjunction with the audited financial results of our Company for year ended on March 31, 2016, 2015 and 2014.For the comparison of the financials for the year ended 2016, 2015 and 2014 we have taken the audited restated accounts. Any change in the figures are due to regrouping and adjustments in the account.

OVERVIEW OF REVENUE & EXPENDITURE

Revenues

Income from operations:

Our principal component of revenue from operations is from sale of pharmaceuticals healthcare products.

Other Income:

As our Company started exporting products we have received export incentives and thus our other income includes significant income from export incentives.

Amount (*Rs. In Lakhs*)

Particulars	Till March 31,		
	2016	2015	2014
Income			
Revenue from Operations	4122.60	3502.73	2968.64
As a % of Total Revenue	99.50%	99.93%	99.92%
Other Income	20.64	2.54	2.39
As a % of Total Revenue	0.50%	0.07%	0.08%
Total Revenue	4143.24	3505.27	2971.03

Expenditure

Our total expenditure primarily consists of Direct Expenses, employee benefit expenses, finance cost, depreciation and amortisation expenses and other expenses.

Direct Expenses

Our Direct Expenses includes Cost of Material Consumed, changes in inventories, stock in trade, etc.,

Employee Benefits Expenses

Our employee benefits cost primarily consists of salaries and wages, director's remuneration, contribution to ESIC , contribution to PF and other funds and staff welfare expenses.

Finance Cost

Our financial cost includes bank interest and bank charges.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses includes depreciation on tangible and intangible assets.

Other Expenses

Other expenses include expenses like insurance expenses, legal & professional charges, freight expenses, foreign exchange hedging loss/gain, administration expenses, office expenses, electricity, miscellaneous expenses, etc.

Statement of profits and loss

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited restated financial statements, stated in absolute terms and as a percentage of total sales and/or total revenue:

Amount (*Rs. In Lakhs*)

Particulars	Till March 31,		
	2016	2015	2014
Revenue from Operations	4,122.60	3,502.73	2,968.64
Variance	17.70%	17.99%	35.51%
% of Total Income	99.50%	99.93%	99.92%
Other Income	20.64	2.54	2.39
Variance	712.60%	6.28%	(62.42%)
% of Total Income	0.50%	0.07%	0.08%
Total Income (A)	**4,143.24**	**3,505.27**	**2,971.03**
Variance/growth	18.20%	17.98%	35.23%
Cost of Material Consumed	**2,187.60**	**1,824.14**	**1,273.90**
% of Total Income	52.80%	52.04%	42.88%
Variance	19.93%	43.19%	37.62%
Changes in inventories of finished goods, traded goods and work-in-progress	**9.16**	**(90.86)**	**49.00**
% of Total Income	0.22%	(2.59%)	1.65%
Variance	(110.08%)	(285.43%)	(161.53%)
Employee benefit expenses	**478.90**	**400.21**	**332.15**
% of Total Income	11.56%	11.42%	11.18%
Variance	19.66%	20.49%	34.18%
Finance costs	**293.61**	**298.52**	**374.58**
% of Total Income	7.09%	8.52%	12.61%
Variance	(1.64%)	(20.31%)	(2.52%)
Depreciation and amortization expense	**273.36**	**249.63**	**211.90**

Particulars	Till March 31,		
	2016	2015	2014
% of Total Income	6.60%	7.12%	7.13%
Variance	9.51%	17.81%	7.20%
Other Expenses	**612.8**	**582.03**	**529.12**
% of Total Income	14.79%	16.60%	17.81%
Variance	5.28%	10.00%	54.00%
Total Expenses (B)	**3,855.41**	**3,263.67**	**2,770.65**
% of Total Income	93.05%	93.11%	93.26%
Variance	18.13%	17.79%	37.22%
Profit before extraordinary items and tax	**287.83**	**241.60**	**200.38**
Less - Exceptional items	0.00	0.00	0.00
% of Total Income	6.95%	6.89%	6.74%
Variance	19.14%	20.57%	12.58%
Profit before extraordinary items and tax	**287.83**	**241.60**	**200.38**
Extraordinary items	0.00	0.00	0.00
Profit before tax	**287.83**	**241.60**	**200.38**
% of Total Income	6.95%	6.89%	6.74%
Variance	19.14%	20.57%	37.30%
(i) Current tax	**55.00**	**51.00**	**41.60**
% of Total Income	1.33%	1.45%	1.40%
Variance	7.84%	22.60%	13.20%
(ii) Deferred tax	**0.00**	**6.95**	**23.69**
% of Total Income	0.00%	0.20%	0.80%
Variance	(100.00%)	(70.66%)	(25.10%)
(iii) Mat Credit	**0.00**	**0.00**	**(40.10)**
% of Total Income	0.00%	0.00%	(1.35%)
Variance	0.00	(100.00%)	0.00
Total Tax Expense	**55.00**	**57.95**	**25.19**
% of Total Income	1.33%	1.65%	0.85%
Variance	(5.09%)	130.05%	(63.16%)
Profit for the year	**232.83**	**183.65**	**175.19**
% of Total Income	5.62%	5.24%	5.90%
Variance	26.78%	4.83%	21.23%

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2016 WITH FINANCIAL YEAR ENDED MARCH 31, 2015

INCOME

Income from Operations

Particulars	2014-2015	2015-2016	Variance
Operating Income	3,502.73	4,122.60	17.70

The operating income of the Company for the year ending March 31, 2016 is Rs. 4,122.60 lakhs as compared to Rs. 3,502.73 lakhs for the year ending March 31, 2015, showing an increase of 17.70%. The increase was in line with our increase in operations due to increase in domestic as well as export sales.

Other Income

Other Income of the Company for the financial year 2014-15 was Rs. 2.54 lakhs which increased to Rs. 20.64 lakhs during the financial year 2015-16.Increase in other income is due to receiving export incentives.

DIRECT EXPENDITURE

Particulars	2014-2015 (Rs. Lakhs)	2015-2016 (Rs. Lakhs)	Variance (%)
Cost of material consumed	1,824.14	2,187.60	19.93
Changes in inventories of finished goods, traded goods and work in progress	(90.86)	9.16	110.08
Total	**1733.28**	**2196.76**	**26.74**

The direct expenditure has increased from Rs. 1733.28 lakhs in Financial Year 2014-2015 to Rs. 2196.76 lakhs in Financial Year 2015-2016 showing an increase of 26.74% over the previous year. The increase of cost of material consumed was almost in line with our increase in operations.

ADMINISTRATIVE AND EMPLOYEE COSTS

Particulars	2014-2015 (Rs. Lakhs)	2015-2016 (Rs. Lakhs)	Variance (%)
Employee Benefit Expenses	400.21	478.90	19.66
Other Expenses	582.03	612.80	5.28

There is increase in employee benefit expenses from Rs. 400.21 lakhs to Rs. 478.90 lakhs due to increment in salary and wages of our employees and also increase in employees.

Our other expenses increased by 5.28% from Rs. 582.03 lakhs in Financial Year 2014-2015 to Rs. 612.80 lakhs in Financial Year 2015-2016 was due to increase in misallaneous expenses like Packing Expenses, Hygiene & Maintenance Expenses, Export Expenses , testing and analysis among others.

FINANCE CHARGES

The finance charges for the period Financial Year 2015-2016 have not decreased significantly from Rs. 298.52 in Financial Year 2015-2014 to Rs. 293.61 Lakhs showing decrease of 1.64% . Bank charges and other finance cost under the head finance cost comparatively decreased from the last year. The decrease is due to reduced interest on cash credit borrowing

DEPRECIATION

Depreciation expenses for the Financial Year 2015-2016 have increased to Rs. 273.36 lakhs as compared to Rs. 249.63 lakhs for the Financial Year 2014-2015 showing increase of 9.51% due to adding of new laboratory instruments and other plant and machineries.

PROFIT BEFORE TAX

Particulars	2014-2015 (Rs. Lakhs)	2015-2016 (Rs. Lakhs)	Variance (%)
Profit Before Tax	241.60	287.83	19.14

Profit before tax increased by 19.14% from Rs. 241.60 lakhs to Rs. 287.83 lakhs in line with increase in business operations and expansion of export sales.

PROVISION FOR TAX AND NET PROFIT

Particulars	2014-2015 (Rs. Lakhs)	2015-2016 (Rs. Lakhs)	Variance (%)
Taxation Expenses	57.95	55.00	5.09
Profit after Tax	183.65	232.83	26.78

Taxation expense decreased from Rs 57.95 lakhs in Financial Year 2015-2016 to Rs. 55.00 lakhs in Financial Year 2014-2015 due to deferred tax adjustment. The profit after tax increased from Rs

183.65 lakhs in Financial Year 2014-2015 to Rs. 232.83 lakhs in Financial Year 2015-2016 due to increase in sales and expansion of business operations.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2015 WITH FINANCIAL YEAR ENDED MARCH 31, 2014

INCOME

Income from Operations

Particulars	2013-2014	2014-2015	Variance
Operating Income	2968.64	3,502.73	17.99

The operating income of the Company for the Financial Year 2014-2015 is Rs. 3,502.73lakhs as compared to Rs. 2968.64 lakhs for the Financial Year 2013-2014, showing an increase of 17.99%. The increase was in line with our increase in operations due to increase in domestic as well as export sales.

Other Income

Other Income of the Company for the financial year 2013-14 was Rs. 2.39 lakhs which increased to Rs. 2.54 lakhs during the financial year 2014-15.

DIRECT EXPENDITURE

Particulars	2013-2014 (Rs. Lakhs)	2014-2015 (Rs. Lakhs)	Variance (%)
Cost of material consumed	1,273.90	1,824.14	43.19
Changes in inventories of finished goods, traded goods and work in progress	49.00	(90.86)	285.43
Total	1322.90	1733.28	31.02

The direct expenditure increased from Rs. 1322.90 lakhs in financial year 2013-2014 to Rs.1733.28 lakhs in financial year 2014-2015 showing an increase of 31.02% over the previous year. This increase was in line with our increase in business.

ADMINISTRATIVE AND EMPLOYEE COSTS

Particulars	2013-2014 (Rs. Lakhs)	2014-2015 (Rs. Lakhs)	Variance (%)
Employee Benefit Expenses	332.15	400.21	20.49
Other expenses	529.12	582.03	10.00

Employee Benefit Expenses in financial year 2014-2015 have increased by 20.49% to Rs. 400.21 lakhs as against Rs. 332.15 lakhs in financial year 2013-2014. The increase was due to increase in appointment of additional employees resulting in increase in staff welfare, contribution to ESIC and other funds.

Other expenses increased from Rs. 529.12 lakhs in financial year 2013-2014 to Rs. 582.03 lakhs in financial year 2014-2015 showing an increase of 10.00% over the previous financial year. Increase in other expenses mainly includes repair and maintenance, power and fuel consumption, packing expenses, issue expenses, product registration charges, etc.

FINANCE CHARGES

The finance charges for the Financial Year 2014-2015 decrease to Rs. 298.52 lakhs from Rs. 374.58 lakhs during the financial year 2013-2014 due to repayment of term loan and reduced interest on cash credit borrowing.

DEPRECIATION AND AMORTISATION EXPENSES

Depreciation for the year financial year 2014-2015 has increased to Rs. 249.63 lakhs as compared to Rs. 211.90 lakhs for the period 2013-2014 showing an increase of 17.81% due to increase in investment of fixed assets.

PROFIT BEFORE TAX

Particulars	2013-2014 (Rs. Lakhs)	2014-2015 (Rs. Lakhs)	Variance (%)
Profit before tax	200.38	241.60	20.57

The Profit before tax has increased to Rs. 241.60 lakhs in Financial Year 2014-2015 from Rs. 200.38 lakhs in Financial Year 2013-2014 showing an increase of 20.57%. This increase was due to increase in our business operations.

PROVISION FOR TAX AND NET PROFIT

Particulars	2013-2014 (Rs. Lakhs)	2014-2015 (Rs. Lakhs)	Variance (%)
Taxation Expenses	25.19	57.95	130.05
Profit after Tax	175.19	183.65	4.83

Taxation Expenses increased by 130.05% during the financial year 2014-2015 compared with the financial year 2013-2014 in line with the increase in profit before tax and in previous year there was mat credit utilisation.

Profit after tax increased to Rs. 183.65 lakhs in the financial year 2014-2015 as compared to Rs. 175.19 lakhs in the financial year 2013-2014 due to increase in business operations.

OTHER MATTERS

1. **Unusual or infrequent events or transactions**

   Except as described in this Red Herring Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. **Significant economic changes that materially affected or are likely to affect income from continuing operations**

   Other than as described in the section titled *"Risk Factors"* beginning on page 19 of this Red Herring Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

3. **Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations**

   Other than as disclosed in the section titled *"Risk Factors"* beginning on page 19 of this Red Herring Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

4. **Future relationship between Costs and Income**

   Our Company's future costs and revenues will be determined by demand/supply situation, government policies and prices of our products. To the best of our knowledge, there is no future relationship between expenditure and income that will have a material adverse impact on the operations and finances of our Company.

5. **The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices**

   Increase in revenue is by and large linked to increases in volume of business activity by the Company.

6. **Total turnover of each major industry segment in which the issuer company operates.**

   The Company is operating in Pharmaceutical Industry. Relevant industry data, as available, has been included in the chapter titled *"Our Industry"* beginning on page 115 of this Red Herring Prospectus.

7. **Status of any publicly announced new services/projects or business segments**

   Our Company has not announced any new projects or business segments, other than disclosed in the Red Herring Prospectus. But our Company has plans to expand its operations through new technologies in future.

8. **The extent to which the business is seasonal**

   Our Company business is not seasonal in nature.

9. **Any significant dependence on a single or few suppliers or customers**

   The % of Contribution of our Company's customer and supplier *vis a vis* the total income and finished goods / traded goods cost respectively as March 31, 2016 is as follows:

   For Financial year 2015-16

Particulars	Customers	Suppliers
Top 5 (%)	35.20	23.37
Top 10 (%)	49.39	43.03

10. **Competitive Conditions**

    We face competition from existing and potential unorganized competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled *"Our Business"* on page 140 of this Red Herring Prospectus.

FINANCIAL INDEBTEDNESS

Our Company utilizes various credit facilities from banks, for conducting its business. Set forth below is a brief summary of our Company's secured borrowings from banks together with a brief description of certain significant terms of such financing arrangements

1. Loan from State Bank of India as per latest Sanction letter dated March 30, 2016

Rs. In Lakhs

Particulars	Fund based Limit						Non Fund based Limit
Nature of Facility	**Term Loan – I**	**Term Loan-II**	**Term Loan-III**	**Term Loan-IV**	**Term Loan-New**	**Line of credit**	**CEL**
Amount (in Rs.) as per latest Sanction letter dated March 30, 2016	90.00	9.00	300.00	688.00	230.00	800.00	13.00
Sub Limit EPC/ FBP	-	-	-	-	-	(300)	-
Rate Of Interest as per latest Sanction letter dated March 30, 2016	3.95% above base rate currently 13.25% p.a					2.75% above base rate currently12.05% p.a	-
Repayment	TL-I: First 51 installments of Rs. 0.75 lakhs each, Next 8 installments of Rs. 0.94 lakhs each, Last installment of	TL-II: First 39 installments of Rs. 2.00 lakhs each, Next 8 installments of Rs. 5.00 lakhs each Last 33	TL-III: First 39 installments of Rs. 4.00 lakhs each, Next 12 installments of Rs. 10.00 lakhs each, Next 12	TL-IV: First 3 installments of Rs. 1.55 lakhs each, Next 12 installments of Rs. 3.00 lakhs each, Next 24 installments of Rs. 10.00 lakhs each, Next 12	TL- New: First 71 equal monthly installment of Rs.3.19 starting from April, 2017 and last installment of Rs. 3.15 plus interest accrued	On demand	-

Particulars	Fund based Limit						Non Fund based Limit
	Rs. 0.93 lakhs	installments of Rs. 7.37 lakhs each	installments of Rs. 15.00 lakhs each, Next 20 installments of Rs. 18.32 lakhs each, Last installment of Rs. 18.30	installments of Rs. 11.00 lakhs each, Last 9 installments of Rs. 10.00 lakhs each	on monthly basis		
Primary Security	1. Unit II & III of the Company's Factory land & building located at Block No. 10-13, Changodar Industrial area, Near M N Desai Petrol Pump, Sarkhej-Bavala Highway, Changodar, Taluka Sanand, District Ahmedabad. 2. Unit II [Total land admeasuring 2755 Sq. Mtrs. (Block No. 10 Paiki 325 Sq. Mtrs. + Block No. 13 Paiki 2430 Sq. Mtrs.) bearing survey No. 530 dated 20/03/2004 + Construction thereon with built-up Area of 4785 Sq. Mtrs.] 3. Unit III [Total land admeasuring 2069 Sq. Mtrs. (Block No. 10 Paiki 1500 Sq. Mtrs. + Block No. 8/AB 569 Sq. Mtrs.) bearing survey No. 2554 dated 28/10/2005 + Construction thereon with built-up Area of 4855 Sq. Mtrs.] 4. Hypothecation on charge over other fixed assets including machinery embedded to earth and movables					First charge on Stock & Receivables and entire current assets of the company.	
Collateral Security	1. Unit I [Total land at Block No. 13 Paiki admeasuring 1248 Sq. Mtrs. bearing survey No. 529 dated 30/03/2004 + Construction thereon with built-up Area of 1725 Sq. Mtrs. Changodar Industrial area, Near M N Desai Petrol Pump, Sarkhej-Bavala Highway, Changodar, Taluka Sanand, District Ahmedabad. 2. Unit IV of the Company i.e. its own factory land at survey No. 9/A & B Paiki (admeasuring 3950 Sq. Mtrs.) located at bock No. 10-13 Paiki, Changodar Industrial area, Near M N Desai Petrol Pump, Sarkhej-Bavala Highway, Changodar, Taluka Sanand, District Ahmedabad.						
Guarantee	1. Sanjay Shah 2. Rita Shah 3. Surendrabhai Shah 4. Pravinbhai Shah						
Outstanding as on March 31, 2016	Rs. 1084.86						

Key Restrictive Covenants:

Our financing agreement include various restrictive conditions and covenants restricting certain corporate actions, and our Company is required to take the prior approval of the lender before carrying out such activities. For instance, our Company is required to obtain the prior written consent of the lenders in the following instances:

1. Modification in the capital structure of our Company;
2. Implement any scheme of expansion / modernization / diversification / renovation or acquire any fixed assets except wherein the scheme has already been approved;
3. Formulate any scheme of amalgamation / reconstruction;
4. Make any investments by way of share capital or lend or advance funds to or place deposits with any other concern except give normal trade credits or place on security deposits in the normal course of business or make advances to employees;
5. Enter into any borrowing arrangements, either secured or unsecured, with any other lender or financial institution;
6. Undertake guarantee obligations on behalf of any other company, firm or person, including in certain cases, to the Subsidiaries of our Company;
7. Declare dividends except out of profits relating to that year after making all due and necessary provisions and no default having occurred in any repayment obligations
8. Any major modification in the management setup
9. Any modification in the remuneration payable to the management
10. Pay any guarantee commission to any personal guarantors
11. Create any charge over the assets and properties of our Company / Guarantors which are charged to the Bank
12. Sell, assign, mortgage or otherwise dispose of any of the fixed assets charged to the bank.
13. Undertake any trading activity other than the sale of produce arising out of our own manufacturing operations
14. Open any account with any other bank
15. Enter into any contractual obligation of a long term nature affecting the company financially to a significant extent
16. Repay the monies brought in by the promoters/directors/principal shareholders and their friends/relatives
17. Not to call uncalled capital
18. Not to allow receiver to be appointed, distress or execution to be levied or Memorandum & Articles of Association to be altered
19. Not to vary the shareholding of directors

Our Company has from time to time, obtained the consent of its lenders to undertake certain corporate actions and enter into various transactions. Our Company has obtained the requisite consents from its lenders in order to undertake the present public issue. For further information on restrictive covenants, please see "Risk Factors" on page 19 of this Red Herring Prospectus

UNSECURED BORROWINGS

Unsecured Borrowing as on March 31, 2016

Sr. No	Name of Lender	Loan Amount (Rs. In Lakhs)
1.	Sanjay Shah	735.70
TOTAL		**735.70**

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except, as stated below and mentioned elsewhere in this Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, statutory or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Subsidiaries and Group Companies or against any other company whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters or Group Companies.

Except as disclosed below there are no 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) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (iii) 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 including fines imposed or compounding of offences done in those five years; or (vi) material frauds committed against our Company in the last five years.

Except as stated below there are no 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 September 01, 2016 determined that outstanding dues to creditors in excess of Rs. 25.00 Lakhs as per last audited financial statements shall be considered as material dues ("Material Dues").

Our Board, in its meeting held on September 01, 2016 determined that litigations involving an amount of more than 25.00 Lakhs as per last audited financial statements shall be considered as material.

Unless otherwise stated to contrary, the information provided is as of date of this Red Herring Prospectus.

LITIGATION INVOLVING OUR COMPANY

Against our Company

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

INCOME TAX PROCEEDING

1. **FOR AY 2015-16**

   Income Tax Department has issued a demand notice dated March 1, 2016 under Section 143 (1) of the Income Tax Act, 1961 (hereinafter referred to as '**Act**') demanding tax of Rs. 63,57,790/-. The proceeding will be initiated in 2017.

2. **FOR AY 2012-13**

Income Tax Department has issued a demand notice dated February 25, 2016 under Section 143 (1) of the Income Tax Act, 1961 (hereinafter referred to as '**Act**') demanding tax of Rs. 15,760/-. An order dated March 23, 2015 under Section 143 (3) of the Act was passed by the Deputy Commissioner of Income Tax, Ahmedabad (hereinafter referred to as the '**Assessing Authority**'). An Appeal is filed before the Commissioner of Income Tax (Appeals), Ahmedabad against the impugned order.

3. **FOR AY 2007-08**

Income Tax Department has issued a demand notice dated February 9, 2009 under Section 143 (1) of the Income Tax Act, 1961 (hereinafter referred to as '**Act**') demanding tax of Rs. 10,804/-. The proceeding will be initiated in 2017.

4. **FOR AY 2006-07**

Income Tax Department has issued a demand notice dated December 1, 2007 under Section 143 (1) of the Income Tax Act, 1961 (hereinafter referred to as '**Act**') demanding tax of Rs. 620/-. The proceeding will be initiated in 2017.

PROCEEDING FOR CENVAT CREDIT

Sakar Healthcare Limited (hereinafter referred to as the 'Assessee') had availed CENVAT Credit as Capital Goods. The goods for which it were availed were neither capital goods nor inputs under Rule 2 (a) and Rule 2(k) of the Cenvat Credit Rules, 2004. The wrongly availed CENVAT credit of Rs. 1,00,847/- was inadmissible and required to be recovered. However, the said amount was approved and settled.

PROCEEDING FOR CENTRAL EXCISE DUTY

Sakar Healthcare Limited (hereinafter referred to as the 'Assessee') had recovered an amount of Rs. 9,709/- by issuing debit notes. However, the inputs supplied by them were rejected. The Assessee had availed CENVAT credit on such inputs however, the duty is not reversed in respect of amount recovered. A duty of Rs. 1,233/-, Interest of Rs. 148/- and Penalty of Rs. 1,393/- was imposed on the Assessee. The same is paid off vide challan dated March 13, 2014.

Proceedings against Our Company for economic offence/securities laws/ or any other law

Nil

Penalties in Last Five Years

Nil

Pending Notice against our Company

Nil

Past Notice to our Company

Nil

Disciplinary Action taken by SEBI or stock exchanges against Our Company

Nil

Defaults including non payment or statutory dues to banks or financial institutions

Nil

Details of material fraud against the Company in last five years and action taken by the Companies.

Nil

LITIGATION FILED BY OUR COMPANY

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Details of any enquiry, inspection or investigation initiated under Companies Act, 2013 or any previous Company Law

Nil

LITIGATION INVOLVING DIRECTORS OF OUR COMPANY

Litigation against our Directors

Nil

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

INCOME TAX PROCEEDING FOR AY 2006-07 AGAINST SANJAY CORPORATION LIMITED

Income Tax Department has issued a notice dated March 12, 2009 under Section 143 (1) of the Income Tax Act, 1961 (hereinafter referred to as '**Act**') demanding tax of Rs. 32,002/-.

Past Penalties imposed on our Directors

Nil

Proceedings initiated against our directors for Economic Offences/securities laws/ or any other law

Nil

Directors on list of wilful defaulters of RBI

Nil

Litigation by Directors of Our Company

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

LITIGATION INVOLVING PROMOTER OF OUR COMPANY

Outstanding Litigation against our Promoters

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Past Penalties imposed on our Promoters

Nil

Proceedings initiated against our Promoters for Economic Offences/securities laws/ or any other law

Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Promoter in last five years

Nil

Penalties in Last Five Years

Nil

Litigation /defaults in respect of the companies/Firms/ventures/ with which our promoter was associated in Past

Nil

Adverse finding against Promoter for violation of Securities laws or any other laws

Nil

Litigation by Our Promoters

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

LITIGATION INVOLVING OUR GROUP COMPANIES

Outstanding Litigation against our Group Companies

Nil

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Past Penalties imposed on our Group Companies

Nil

Proceedings initiated against our Group Companies for Economic Offences/securities laws/ or any other law

Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any *Group Companies*

Nil

Adverse finding against *Group Companies* for violation of Securities laws or any other laws

Nil

LITIGATION BY OUR GROUP COMPANIES

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

LITIGATION INVOLVING OUR SUBSIDIARIES

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Past Penalties imposed on our Subsidiaries

Nil

Proceedings initiated against our Subsidiaries for Economic Offences/securities laws/ or any other law

Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any *Subsidiaries*

Nil

Adverse finding against *Subsidiaries* for violation of Securities laws or any other laws

Nil

LITIGATION BY OUR SUBSIDIARIES

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

OTHER MATTERS

Nil

Details of any inquiry, inspection or investigation initiated under present or previous companies laws in last five years against the Company or its subsidiaries

Nil

Outstanding Litigation against other companies or any other person whose outcome could have an adverse effect on our company

Nil

Material Developments since the Last Balance Sheet

To our knowledge, except as otherwise disclosed in this Red Herring Prospectus, there have been no significant developments after the date of our financial statements contained in this Red Herring Prospectus which materially affect, or are likely to affect, our operations or profitability, or the value of our assets, or our ability to pay our material liabilities, within the next 12 months.

Outstanding dues to small scale undertakings or any other creditors

As on March 31, 2016 Creditors for goods and expenses is Rs. 109.89 lakhs and Rs.287.67 lakhs respectively. Further as per our Board, in its meeting held on September 01, 2016 determined that outstanding dues to creditors in excess of Rs. 25.00 Lakhs as per last audited financial statements shall be considered as material dues ("Material Dues"). Based on it there are no creditors with outstanding amount more than Rs. 25 lakhs. Further None of our creditors have been identified as micro enterprises and small scale undertakings by our Company based on available information. For complete details about outstanding dues to creditors of our Company, please see www.sakarhealthcare.com

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government/RBI, various Government agencies and other statutory and/ or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Red Herring Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. In order to operate our business of a pharmaceutical company engaged in manufacturing and marketing of their own pharmaceutical formulations for domestic and international markets, we require various approvals and/ or licenses under various laws, rules and regulations. For further details in connection with the applicable regulatory and legal framework, see chapter "Key Industry Regulations and Policies" on page 154 of this Red Herring Prospectus.

Further, except as mentioned herein below, our Company has not yet applied for any licenses for the proposed activities as contained in the chapter titled 'Objects of the Issue' beginning on page no.87 of this Red Herring Prospectus to the extent that such licenses/approvals may be required for the same.

The Company has its registered office and manufacturing unit located at: Plot No.10/13, Near M.N.Desai Petrol Pump, Sarkhej Bavla Highway, Changodar, Ahmedabad – 382 213, Gujarat, India

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

APPROVALS FOR THE ISSUE

Corporate Approvals:

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on September 01, 2016, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extraordinary General Meeting held on September 06, 2016 authorized the Issue.

In- principle approvals from the Stock Exchange

We have received in-principle approvals from the stock exchange for the listing of our Equity Shares pursuant to letter dated September 21, 2016 bearing reference no. NSE/LIST/87702

Agreements with NSDL and CDSL

1. The Company has entered into an agreement dated April 24, 2015 with the Central Depository Services (India) Limited ("**CDSL**") and the Registrar and Transfer Agent, who in this case is, Link Intime (India) Private Limited for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement dated May 19, 2015 with the National Securities Depository Limited ("**NSDL**") and the Registrar and Transfer Agent, who in this case is Link Intime (India) Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number ("**ISIN**") is INE732S01012.

INCORPORATION AND OTHER DETAILS

1. The Certificate of Incorporation dated March 26, 2004 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli, in the name of "Sakar Healthcare Private Limited".
2. Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public company issued on by the Registrar of Companies, Gujarat, Ahmedabad in the name of "Sakar Healthcare Limited".
3. The Corporate Identity Number (CIN) of the Company is U24231GJ2004PLC043861

APPROVALS/LICENSES RELATED TO BUSINESS OF OUR COMPANY

Sr. No.	Description	Authority	Registration No./ Reference No./License No.	Date of Issue	Date of Expiry
1	Certificate of Importer-Exporter Code (IEC)	Foreign Trade Development Officer, Ministry of Commerce, Office of Jt. Director General of Foreign Trade Ministry of Commerce, Government of India	IEC Number: 0806009772	October 12, 2006	N/A
3.	Entrepreneurs Memorandum for setting micro, small and medium Enterprises Unit	Jt. Commissioner of Industries and General Manager, District Industries Centre, Ahmedabad.	240071200815	March 26, 2007	NA
4.	Licence to work factory (under Rule 5 of Gujarat Factories Rules, 1963)	Joint Director Industrial Safety and Health, Ahmedabad	Registration no. 2930/24232/2005 and License No. 15800	December 06, 2012	December 31, 2017
5.	Boiler Registration for maximum continuous evaporation of 2000 kg/hour	Assistant Director of Boiler, Gujarat State	GT- 5816	October 17, 2014	NA
6	Certificate of registration certifying that the Company is an Ordinary Member of Indian Drug	Indian Drug Manufactures' Association	2158/01/16-17	May 14, 2016	March 31, 2017
7	Verification certificate for	Junior Inspector, Statutory Measurement	47	October 14, 2014	NA

	weights and measurements for various weighing instruments	Science			
8	Certificate of stability (under Rule 3C of Gujarat Factories Rules, 1963)	Gujarat Factories Rules, 1963	GUJ/DISH/CPT/A0186/2011	October 12, 2011	NA
9	Membership Certificate	Pharmaceuticals Export Promotion Council of India	PXL/SSM/I/RO/SHPL/5655/2010-11	April 12, 2016	March 31, 2017
10	License Certificate for Pharmasuite	Soham ERP Solutions Private Limited	LPS/1104/10	February 21, 2015	NA
11	Certificate granting approval to use 1x100 KVA D.G. Set at Block No. 10-13, Nr. N.M. Desai Petrol Pump, Sarkhej-Bavla Road, Changodar, Taluka, Sanand, District: Ahmedabad.	Assistant Electrical Inspector, Ahmedabad	AEI/ABD/Ins/D.G/2276	March 19, 2007	NA
12	Certificate granting approval to use 1x600 KVA and 1x320KVA D.G. Set at Block No. 10-13, Nr. N.M. Desai Petrol Pump, Sarkhej-Bavla Road, Changodar, Taluka: Sanand, District: Ahmedabad.	Electrical Inspector, Ahmedabad	eia/cert/634/2009	February 19, 2009	NA

13	Good Manufacturing Practice Certificate in relation to Oral Liquid, Tablet, Dry Syrup, Sachet, Dry Powder Injection	Food and Drugs Control Administration, Gujarat State, India	1503494	March 25, 2015	March 24, 2017
14	Good Manufacturing Practice Certificate in relation to Small Volume Liquid Parental (Ampoule and Vial)	Food and Drugs Control Administration, Gujarat State, India	1407227	July 19, 2014	July 18, 2016

TAX RELATED APPROVALS/LICENSES/REGISTRATIONS

Sr. No.	Authorisation granted	IssuingAuthority	Registration No./Reference No./License No.	Date of Issue	Validity
1.	Permanent Account Number (PAN)	Income Tax PAN Services Unit, Income Tax Department, Govt. of India	AAICS0759H	March 26, 2004	Perpetual
2.	Tax Deduction Account Number (TAN)	Income Tax Department, Government of India	AHMS11864G		Perpetual
3.	Certificate of Registration (under section Gujarat Sales Tax 1959)	Sales Tax Officer (1), Class (1), Unit 11, Sales Tax Department, Gujarat.	24070501633	July 27, 2004	NA
4.	Certificate of Registration (under Section 7 (1)/7 (2) of Central Sales Tax Act, 1956)	Assistant Sales Tax Commissioner, Ahmedabad	24574501633	September 14, 2005	NA
5.	Certificate of Registration (under Rule 9 of Central Excise	Deputy Commissioner/Assistant Commissioner of Central Excise	AAICS0759HXM001	December 17, 2004	NA

Sr. No.	Authorisation granted	IssuingAuthority	Registration No./Reference No./License No.	Date of Issue	Validity
	Rules, 2002)				
6.	Registration of Service Tax (under Chapter V of the Finance Act 1994 read with the Service Tax Rules)	Superintendent, Service Tax Division, Office of the Deputy Commissioner of Service Tax Division-II, Central Excise Bhavan	AAICS0759HST001	March 5, 2009	NA
7.	Professional Tax Registration(under section 5 of Gujarat Professions Tax Act, 1976)	Office of the professional tax officer, Ahmedabad	EC/07/02/006/014 3	June 2008	NA

LABOUR RELATED APPROVALS/REGISTRATIONS

The Company has obtained the following approvals related to Labour/employment related registrations:

Sr. No.	Description	Authority	Registration No./Reference No./License No.	Date of Issue
1.	Employees Provident Fund Registration (under Employees' Provident Funds and Miscellaneous Provisions Act, 1952)	Employees' Provident Fund Organisation, Regional Office.	GJ/AHD/51495	April 8, 2005
2.	Registration for Employees State Insurance (under Employees State Insurance Act, 1948)	Employees' State Insurance Corporation	37001011440000305	April 5, 2011

OTHER BUSINESS RELATED APPROVALS

S No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1.	Certificate of Registration of international Standards Certifications ISO 9001:2008 certification	Bureau Veritas Certification	IND14.8848U/Q	November 14, 2014	November 13, 2017
2.	Membership Registration	Gujarat Chamber of Commerce and Industry	31055	April 06, 2012	NA

OTHERS

Sr. No.	Authority/ Certificate	Approval for	Date of issue	Registration/ Certification number	Validity
3.	Consent to Establish (Under section 25 of the Water act, 1974 and Section 21 of Air (Prevention and Control of Pollution) Act, 1981)	Gujarat Pollution Control Board	July 9, 2013	GPCB/CCA/ABD-GEN-840/ID 13561/152716	July 9, 2018

INTELLECTUAL PROPERTY RELATED APPROVALS/REGISTRATIONS

Trademarks

Trademark	Trademark Type	Applicant	Class	Application No.	Date of Application	Registration status
Sakar Healthcare Ltd.	Wordmark - Device	Sakar Healthcare Private Limited	5	2069102	16/12/2010	Objected

PENDING APPROVALS:

Registration Certificate of Establishment

MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY

Nil

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on September 01, 2016 and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on September 06, 2016

We have received in-principle approval from the Stock Exchange for the listing of our Equity Shares pursuant to letter no NSE/LIST/87702 dated September 21. 2016

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoter, our Directors, our Promoter Group and natural persons behind our promoters, have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

The companies with which our Promoter, our Directors or persons in control of our Company are / were associated as promoter, directors or persons in control have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

None of our Directors are in any manner associated with the securities market. There has been no action taken by SEBI against any of our Directors or any entity our Directors are associated with as directors.

PROHIBITION BY RBI

Neither our Company, nor our Promoter, or the relatives (as defined under the Companies Act) of our Promoter or Group Entity have been identified as willful defaulters by the RBI or any other governmental authority. There are no violations of securities laws committed by them in the past or no proceedings thereof are pending against them.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with regulation 106M(2) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital exceed Rs. 1,000 lakhs. Our Company also complies with the eligibility conditions laid by the SME Platform of NSE for listing of our Equity Shares

We confirm that:

1. In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, this Issue will be hundred percent underwritten and that the BRLM will underwrite at least 15 per cent of the total issue size. For further details pertaining to underwriting please refer to chapter titled “General Information” beginning on page 58 of this Red Herring Prospectus.
2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight working days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from eight working days, be liable to repay such application money, with interest as prescribed under section 40 of Companies Act, 2013 and SEBI (ICDR) Regulations.
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Book Running Lead Manager submits the copy of Red Herring Prospectus including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus with Stock Exchange and the Registrar of Companies.

4. In accordance with Regulation 106(V) of the SEBI(ICDR) Regulations, the BRLM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue. For further details of the market making arrangement see chapter titled "General Information" beginning on page 58 of this Red Herring Prospectus.
5. The Company has track record of 3 Years and positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and
6. Net-worth of the company is positive.
7. The Company has not been referred to Board for Industrial and Financial Reconstruction.
8. No petition for winding up is admitted by a court of competent jurisdiction against the Company.
9. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
10. The Company has a website: www.sakarhealthcare.com

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA 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 OFFER DOCUMENT. THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT 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 THIS RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE AND WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER REGISTERING THE RED HERRING PROSPECTUS WITH ROC AND BEFORE OPENING OF THE ISSUE IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992

"WE, THE UNDER NOTED BOOK RUNNING LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, CIVIL LITIGATIONS, DISPUTES WITH COLLABORATORS, CRIMINAL LITIGATIONS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**
2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**

A. **THE RED HERRING PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**

B. **ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED / ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

C. **THE DISCLOSURES MADE IN THE 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 ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS COMPANIES ACT, 1956, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
4. **WE SHALL SATISFY OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS – NOTED FOR COMPLIANCE**
5. **WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF ITS SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE RED HERRING PROSPECTUS.**
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 SPECIFIED SECURITIES 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 RED HERRING PROSPECTUS.**
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 PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE – NOT APPLICABLE

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION**

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE 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 RED HERRING PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE**

10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.- NOT APPLICABLE AS IN TERMS OF THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013, THE SHARES ISSUED IN THE PUBLIC ISSUE SHALL BE IN DEMAT 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 INVESTOR TO MAKE A WELL INFORMED DECISION.**

12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE RED HERRING PROSPECTUS:**

A. **AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND**

B. **AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD 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 ISSUE – NOTED FOR COMPLIANCE**

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, 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 RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY (CHECKLIST ENCLOSED)**

16. **WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR – DETAILS ARE ENCLOSED IN "ANNEXURE A"**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTION HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS."** ***COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE RED HERRING PROSPECTUS***

ADDITIONAL CONFIRMATIONS / CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

(1) "WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE RED HERRING PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.

(2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN RED HERRING PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE COMPANY OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES / ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.

(3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. - NOTED FOR COMPALINCE

(4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE EQUITY SHARES OF THE ISSUER.

(5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISO TO SUB-REGULATION OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE RED HERRING PROSPECTUS.

(6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE. - NOTED FOR COMPLIANCE

Note:

The filing of this Red Herring Prospectus does not, however, absolve our Company from any liabilities under section 34 and 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Book Running Lead Manager any irregularities or lapses in this Red Herring Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Red Herring Prospectus with the Registrar of Companies, Ahmedabad in terms of Section 32 of the Companies Act 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER

Our Company, our Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website, www.sakarhealthcare.com , would be doing so at his or her own risk.

Caution

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue management entered into among the Book Running Lead Manager and our Company dated September 20, 2016, the Underwriting Agreement dated September 20, 2016 entered into among the Underwriter and our Company and the Market Making Agreement dated September 20, 2016 entered into among the Market Maker(s), Book Running Lead Manager and our Company.

Our Company and the Book Running Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres, *etc.*

The Book Running Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Pantomath Capital Advisors Private Limited is not an 'associate' of the Company and is eligible to Book Running Lead Manager this Issue, under the SEBI (Merchant Bankers) Regulations, 1992.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals 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 approvals to acquire Equity Shares. Our Company and the Book Running Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

For details regarding the price information and track record of the past issue handled by M/s. Pantomath Capital Advisors Private Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer "Annexure A" to this Red Herring Prospectus and the website of Book Running Lead Manager at www.pantomathgroup.com

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, 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), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai 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 this Red Herring Prospectus has been filed with NSE for its observations and NSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus 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 applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Red Herring Prospectus in each jurisdiction, including India

DISCLAIMER CLAUSE OF THE SME PLATFORM OF 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 Ref.: NSE/LIST/87702 dated September 21, 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

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

The Red Herring Prospectus has not been filed with SEBI, nor SEBI has issued any observation on the Offer Document in terms of Regulation 106(M)(3). However, a copy of the Red Herring Prospectus shall be filed with SEBI at the SEBI Western Regional Office, Unit No:002, Ground Floor SAKAR I, Near Gandhigram Railway Station Opp. Nehru Bridge Ashram Road, Ahmedabad – 380 009. A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the RoC situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380013 Gujarat, India.

LISTING

In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining in-principle approval from SME Platform of NSE. However application will be made to the SME Platform of NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The SME Platform of NSE has given its in-principal approval for using its name in our Red Herring Prospectus vide its letter dated September 21, 2016

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of NSE, our Company will forthwith repay, without interest, all moneys received from the bidders in pursuance of the Red Herring Prospectus. If such money is not repaid within 8 working days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 working days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of the NSE mentioned above are taken within six Working Days from the Issue Closing Date.

CONSENTS

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, the Statutory Auditors, the Peer Reviewed Auditors, the Banker to the Company; and (b) Lead manager, Underwriters, Market Makers, Registrar to the Issue, Banker(s) to the Issue, Legal Advisor to the Issue to act in their respective capacities have been obtained and is filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under sections 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus/ Prospectus for registration with the RoC. Our Peer Reviewed Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Red Herring Prospectus / Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Red Herring Prospectus/ Prospectus for filing with the RoC.

EXPERT TO THE ISSUE

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

- Report of the Peer Reviewed Auditor on Statement of Tax Benefits.
- Report on Restated Financials Statements

EXPENSES OF THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses. For details of total expenses of the Issue, refer to chapter "Objects of the Issue" beginning on page 87 of this Red Herring Prospectus.

DETAILS OF FEES PAYABLE

Fees Payable to the Book Running Lead Manager

The total fees payable to the Book Running Lead Manager will be as per the Mandate Letter issued by our Company to the Book Running Lead Managers, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated April 20, 2015 a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post / speed post / under certificate of posting.

Fees Payable to Others

The total fees payable to the, Auditor and Advertiser, *etc.* will be as per the terms of their respective engagement letters if any.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement to entered into between our Company and the Book Running Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with Section 40 of Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2014.

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION

We have not made any previous rights and/or public issues since Incorporation, and are an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled *"Capital Structure"* beginning on page 67 of this Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the initial public offer of the Equity Shares by our Company, 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 our Equity Shares since our inception.

PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370 (1B) OF THE COMPANIES ACT, 1956 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS

None of the equity shares of our Group Entities are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of this Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three year from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the bidder, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant / Bidder, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants / bidder.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders shall redress routine investor grievances within 15 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 constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on April 01, 2015. For further details, please refer to the chapter titled "*Our Management*" beginning on page 175 of this Red Herring Prospectus.

Our Company has appointed Pratixa Seju as Company Secretary & Compliance Officer and she may be contacted at the following address:

Pratixa Seju
Sakar Healthcare Limited
Plot No. 10/13, Nr. M N. Desai Petrol Pump,
Sarkhej Bavla Highway,
Changodar, Ahmedabad – 382213,

Gujarat, India
Tel: +91 2717 250477
Fax No.: +91 2717 251621
Email: cs@sakarhealthcare.com
Website: www.sakarhealthcare.com

Investors can contact the Company Secretary & Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, *etc*.

CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS

There is no changes in Auditors during the last three financial years.

CAPITALISATION OF RESERVES OR PROFITS

Save and except as stated in the chapter titled "*Capital Structure*" beginning on page 67 of this Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation.

PURCHASE OF PROPERTY

Other than as disclosed in this Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Red Herring Prospectus. Our Company has not purchased any property in which the Promoters and / or Directors have any direct or indirect interest in any payment made there under.

SERVICING BEHAVIOR

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

SECTION VII ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued pursuant to this Issue shall be subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, SCRA, the Prospectus, SCRR, the Memorandum and Articles of Association, the terms of the Red Herring Prospectus, , the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/ 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 Issue. The Equity Shares shall also be subject to laws, as applicable, guidelines, rules, 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, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the FIPB, the Stock Exchanges, the RoC and any other authorities while granting their approval for the Issue. SEBI has notified the SEBI Listing Regulations on September 2, 2015, which among other things governs the obligations applicable to a listed company which were earlier prescribed under the Equity Listing Agreement. The Listing Regulations have become effective from December 1, 2015.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

RANKING OF EQUITY SHARES

The Equity Shares being issue in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act, 1956 and Companies Act, 2013 and the Articles. For further details, please refer to the section titled "*Main Provisions of Articles of Association*" beginning on page number 325 of this Red herring Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, SEBI Listing Regulations and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act and our Articles of Association. For further details, please refer to the chapter titled *"Dividend Policy"* on page 200 of this Red herring Prospectus.

FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is Rs. 10 each and the Issue Price at the lower end of Price Band is Rs. [●] per Equity Share and at the higher end of the Price Band is Rs. [●] per Equity Share.

The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and advertised in [●] edition of the English national newspaper [●], [●] edition of the Hindi national newspaper [●] and the Gujarati newspaper [●], each with wide circulation, at least five Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price

Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be prefilled in the Bid cum Application Forms available on the websites of the Stock Exchanges.

At any given point of time there shall be only one denomination of Equity Shares.

COMPLIANCE WITH SEBI ICDR REGULATIONS

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all 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, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- 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;
- Right to receive issue 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 law, 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, 2013 Act, the terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, please refer to the section titled "*Main Provisions of Articles of Association*" beginning on page number 325 of this Red herring Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated May 19,2015 amongst NSDL, our Company and the Registrar to the Issue; and
- Agreement dated April 24, 2015 amongst CDSL, our Company and the Registrar to the Issue.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is [•] Equity Share. Allotment in this Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares.

MINIMUM NUMBER OF ALLOTTEES

Further in accordance with Regulation 106R of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by SCSBs shall be unblocked within 4 days of closure of issue.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue 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 or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S), 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 issued and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

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 issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

JOINT HOLDER

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013 the sole applicant, or the first applicant along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the Applicant, 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 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 and transfer agents of our Company.

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, the 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 Issue 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 investor wants to change the nomination, they are requested to inform their respective depository participant.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working 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.

Notwithstanding the foregoing, this Issue 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. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Red Herring Prospectus with Stock Exchange.

BID/ ISSUE OPENING DATE

Bid / Issue Opening Date	September, 30, 2016
Bid / Issue Closing Date	October 05, 2016
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or before October 13, 2016
Initiation of Refunds	On or before October 14, 2016
Credit of Equity Shares to demat accounts of Allottees	On or before October 14, 2016
Commencement of trading of the Equity Shares on the Stock Exchange	On or before October 17, 2016

The above timetable is indicative and does not constitute any obligation on our Company, and the BRLM. Whilst 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 Exchange are taken within 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bids and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Bid/Issue Period. On the Bid/Issue Closing Date, the Bids and any revision to the same shall be accepted between **10.00 a.m. and 5.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Bid/Issue Closing Date. All times mentioned in this Red Herring Prospectus are Indian Standard Times. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue 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 Issue. Bids will be accepted only on Business Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Red Herring Prospectus is Indian Standard Time.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three additional working days after revision of Price Band subject to the Bid/ Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue Period, if

applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the changes on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Member.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form, for a particular Bidder, the Registrar to the Offer shall ask for rectified data

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level and is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the "stated minimum amount" has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 106 P (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Red Herring Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty)

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

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 issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

MIGRATION TO MAIN BOARD

Our company may migrate to the Main board of NSE from SME Exchange on a later date subject to the following:

a. *If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to NSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

b. *If the Paid up Capital of our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a*

special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

MARKET MAKING

The shares issued and transferred through this Issue are proposed to be listed on the SME Exchange of NSE (SME Exchange) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on EMERGE Platform of NSE. For further details of the market making arrangement please refer to chapter titled *"General Information"* beginning on page 58 of this Red herring Prospectus.

ARRANGEMENT FOR DISPOSAL OF ODD LOT

The trading of the equity shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the EMERGE Platform of NSE.

AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian Companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals.

OPTION TO RECEIVE SECURITIES IN DEMATERIALISED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

NEW FINANCIAL INSTRUMENTS

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

APPLICATION BY ELIGIBLE NRIs, FPI'S REGISTERED WITH SEBI, VCF'S, AIF'S REGISTERED WITH SEBI AND QFI'S

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page 67 of this Red herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except

as provided in the Articles of Association. For details please refer to the section titled "*Main Provisions of the Articles of Association*" beginning on page 325 of this Red herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M) (2) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, our post issue face value capital exceeds ten crore rupees, but does not exceed twenty five crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the EMERGE Platform of NSE). For further details regarding the salient features and terms of such an issue please refer chapter titled "*Terms of the Issue*" and "*Issue Procedure*" on page 268 and 277 of this Red Herring Prospectus.

Following is the issue structure:

Initial Public Issue of 29,61,000 Equity Shares for cash at price of Rs.[●] (including a premium of Rs. [●]) aggregating to Rs. [●] comprising of Fresh Issue of up to [•] Equity Shares aggregating up to Rs. [●] Lakhs by our Company. The Issue comprises a net issue to the public of up to [●] Equity Shares (the "Net Issue"). The Issue will constitute [●] % of the post-Issue paid-up Equity Share capital of our Company and the Net Issue will constitute [●] % of the post-Issue paid-up Equity Share capital of our Company.

The issue comprises a reservation of 1,53,000 Equity Shares of Rs. 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion").

Particulars	Net issue to Public*	Market Maker Reservation Portion
Number of Equity Shares	29,61,000 Equity Shares	1,53,000 Equity Shares
Percentage of Issue Size available for allocation	94.83 % of Issue Size	5.17 %of Issue Size
Basis of Allotment / Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of [●] equity shares and further allotment in multiples of [●] equity shares each. For further details please refer to the section titled *"Issue Procedure" on* page 277 of the Red Herring Prospectus	Firm allotment
Mode of Bid cum Application	All Applicants/Bidders shall make the application (Online or Physical through ASBA Process)	Through ASBA Process only
Minimum Bid Size	***For QIB and NII*** Such number of Equity Shares in multiples of [●]Equity Shares such that the Application size exceeds Rs 2,00,000 ***For Retail Individual*** [●] Equity shares	[●] Equity Shares
Maximum Bid Size	***For Other than Retail Individual Investors:*** For all other investors the maximum application size is the Net Issue to public subject to limits as the investor has to adhere under the relevant laws and regulations as applicable. ***For Retail Individuals:*** [●]Equity Shares	Equity Shares of Face Value of Rs 10 each
Mode of Allotment	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode
Trading Lot	[●] Equity Shares	[●] Equity Shares, however

Particulars	Net issue to Public*	Market Maker Reservation Portion
		the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations
Terms of payment	The entire Bid Amount will be payable at the time of submission of the Bid Form	

**50 % of the shares issued in the Net Issue to Public portion are reserved for applications whose value is below Rs. 2,00,000 and the balance 50 % of the shares are reserved for applications whose value is above Rs. 2,00,000.*

(1) 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. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

ISSUE 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"), and including SEBI circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 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 ICDR Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus

Please note that all the Bidders can participate in the Issue only through the ASBA process. All Bidders shall ensure that the ASBA Account has sufficient credit balance such that the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid. Please note that all Bidders are required to make payment of the full Bid Amount along with the ASBA Form.

Bidders are required to submit Bids to the Selected Branches / Offices of the RTAs, DPs, Designated Bank Branches of SCSBs or to the Syndicate Members. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on http://www.sebi.gov.in. For details on designated branches of SCSB collecting the ASBA Form, please refer the above mentioned SEBI link. The list of Stock Brokers, Depository Participants ("DP"), Registrar to an Issue and Share Transfer Agent ("RTA") that have been notified by National stock Exchange of India Ltd. to act as intermediaries for submitting ASBA Forms are provided on http://www.nseindia.com For details on their designated branches for submitting ASBA Forms, please see the above mentioned NSE website.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept ASBA Forms.

BOOK BUILDING PROCEDURE

The Issue is being made under Regulation 106(M)(2) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via book building process wherein 50% of the Net Issue to Public is being issued to the Retail Individual Bidders and the balance shall be issued to QIBs and Non-Institutional Bidders. However, if the aggregate demand from the Retail Individual Bidders is less than 50%, then the balance Equity Shares in that portion will be added to the non retail portion issued to the remaining investors including QIBs and NIIs and vice-versa subject to valid bids being received from them at or above the Issue Price.

Subject to the valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Bidders shall not be less than the minimum Bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with

spillover from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Stock Exchange.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Bidders will only be in the dematerialised form. The Bid cum Application Forms which do not have the details of the Bidder's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Bid cum Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the bid is liable to be rejected. Bidders will not have the option of getting allotment of the 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

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE (www.nseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Bid/Offer Opening Date.

All Bidders shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection 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.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour of Bid Cum Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

**excluding electronic Bid cum Application Form*

Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Forms to respective SCSBs where the Bidder has a bank account and shall not submit it to any non-SCSB Bank

WHO CAN BID?

In addition to the category of Bidders set forth under "***General Information Document for Investing in Public Issues – Category of Investors Eligible to participate in an Issue***", the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI 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 (NIIs) category;
- Scientific and / or industrial research organisations authorised in India to invest in the Equity Shares.

Maximum and Minimum Application Size

a) For Retail Individual Bidders:

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 Bidder does not exceed Rs 2,00,000. In case of revision of Bid, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 2,00,000.

b) For Other Bidders (Non-Institutional Bidders and QIBs):

The Bid cum Application must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs.2,00,000 and in multiples of [●] Equity Shares thereafter. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Bidder cannot withdraw or lower the size of their Bid at any stage and are required to pay the entire Bid Amount upon submission of the Bid.** The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Bid, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs 2,00,000 for being considered for allocation in the Non-Institutional Portion.

INFORMATION FOR THE BIDDERS

a. Our Company shall file the Red Herring Prospectus with the RoC at least three working days before the Bid / Issue Opening Date.

b. Our Company shall, after registering the Red Herring Prospectus with the RoC, make a pre-Issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre-Issue advertisement, our Company and the Book Running Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of the ICDR Regulations.

c. The Price Band as decided by our Company in consultation with the Book Running Lead Manager is Rs. [●] per Equity Share. The Floor Price of Equity Shares is Rs. [●] per Equity Share and the Cap Price is Rs. [●] per Equity Share and the minimum bid lot is of [●] Equity Shares. Our Company shall also announce the Price Band at least five Working Days before the Issue Opening Date in English and Hindi national newspapers and one regional newspaper with wide circulation.

d. This announcement shall contain relevant financial ratios computed for both upper and lower end of the Price Band. Further, this announcement shall be disclosed on the websites of the Stock Exchanges where the Equity Shares are proposed to be listed and shall also be pre-filled in the ASBA Forms available on the websites of the stock exchanges.

e. The Issue Period shall be for a minimum of three Working Days. In case the Price Band is revised, the Issue Period shall be extended, by an additional three Working Days, subject to the total Issue Period not exceeding ten Working Days. The revised Price Band and Issue Period will be widely disseminated by notification to the SCSBs and Stock Exchanges, and by publishing in English and Hindi national newspapers and one regional newspaper with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the members of the Syndicate.

The Bidders should note that in case the PAN, the DP ID and Client ID mentioned in the ASBA Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Member does not match with the PAN, DP ID and Client ID available in the database of Depositories, the ASBA Form is liable to be rejected.

OPTION TO SUBSCRIBE IN THE ISSUE

a. As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialised form only.

b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

A single Bid cum application from any investor shall not exceed the investment limit / minimum number of specified securities that can be held by him/her/it under the relevant regulations / statutory guidelines and applicable law

AVAILABILITY OF RED HERRING PROSPECTUS AND ASBA FORM

Copies of the ASBA Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the ASBA Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE (www.nseindia.com) at least one day prior to the Bid/Issue Opening Date.

APPLICATIONS BY ELIGIBLE NRI'S/RFPI's ON REPATRIATION BASIS

Copies of the ASBA Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the ASBA Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE (www.nseindia.com) at least one day prior to the Bid/Issue Opening Date.

PARTICIPATION BY ASSOCIATED/AFFILIATES OF BOOK RUNNING LEAD MANAGER AND SYNDICATE MEMBERS

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

APPLICATIONS BY ELIGIBLE NRI'S

NRIs may obtain copies of ASBA Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the ASBA Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the ASBA Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the ASBA Form meant for Non-Residents (blue in colour)

BIDS BY FPI INCLUDING FIIs

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the ASBA Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a

certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the ASBA Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

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) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% 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 up to the sectorial 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 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. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue 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 an FPI against securities held by it that are listed or proposed to be listed on any recognized 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.

FPIs who wish to participate in the Issue are advised to use the ASBA Form for Non-Residents (blue in colour).

BIDS BY SEBI REGISTERED VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public issueing.

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 issueing 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 Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All 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 commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

BIDS BY MUTUAL FUNDS

No Mutual Fund scheme shall invest more than 10% of its net asset value in 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.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the ASBA Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

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 ASBA Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

BIDS BY INSURANCE COMPANIES

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the ASBA Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

1) equity shares of a company: the least of 10.00% of the investee company's subscribed capital (face value) or 10.00% of the respective fund in case of life insurer or 10.00% 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 (a), (b) and (c) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS UNDER POWER OF ATTORNEY

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lakhs, 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 must be lodged along with the ASBA Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the ASBA Form.

b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the ASBA Form.

c) With respect to Bids made by provident funds with a minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the ASBA Form.

d) With respect to 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 ASBA Form

e) Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the ASBA Form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

BIDS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Bids made by provident funds with minimum corpus of Rs. 25 Crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the ASBA Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

BIDS BY BANKING COMPANY

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company‘s investment committee are required to be attached to the ASBA Form, failing which our Company reserve the right to reject

any Bid by a banking company without assigning any reason.

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 up to 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 SCSBs

SCSBs participating in the Issue 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 Bid cum 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 Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.

2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

TERMS OF PAYMENT

Terms of Payment

The entire Issue price of Rs. [●] per share is payable on Bid cum application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar to the issue shall instruct the SCSBs to unblock the excess amount blocked.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account, post finalisation of basis of Allotment. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

Payment mechanism for Bidders

The Bidders shall specify the bank account number in the ASBA Form and the SCSBs shall block an amount equivalent to the Bid cum Application Amount in the bank account specified in the ASBA Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the bid cum application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Retail Bidders shall neither withdraw nor lower the size of their bid cum applications at any stage. In the event of withdrawal or rejection of the ASBA Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of

such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the bid cum application by the ASBA Applicant, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Investors are applying in this Issue shall mandatorily make use of ASBA facility.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

a) Our Company has entered into an Underwriting agreement dated September 20, 2016.

b) A copy of the Red Herring Prospectus and Prospectus will be filed with the RoC in terms of Section 32 of the Companies Act.

PRE- ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National Newspaper; (ii) Hindi National Newspaper; and (iii) Regional Newspaper, each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

ADVERTISEMENT REGUARDING ISSUE PRICE AND PROSPECTUS

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

GENERAL INSTRUCTIONS

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the ASBA 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 your ASBA Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the ASBA Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the ASBA Form;
7. Ensure that the signature of the First Bidder in case of joint Bids, is included in the ASBA Forms;
8. Ensure that the name(s) given in the ASBA 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 ASBA 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;
9. Ensure that you request for and receive a stamped acknowledgement of the ASBA Form 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 ASBA Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
11. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
12. 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. All other applications in which PAN is not mentioned will be rejected;
13. Ensure that the Demographic Details are updated, true and correct in all respects;
14. 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;
15. Ensure that the category and the investor status is indicated;
16. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
17. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
18. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their ASBA Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the ASBA Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the ASBA Form;
19. Ensure that the ASBA Forms are delivered by the Bidders within the time prescribed as per the ASBA Form and the Red Herring Prospectus;
20. Ensure that you have mentioned the correct ASBA Account number in the ASBA Form;
21. Ensure that you have correctly signed the authorisation/undertaking box in the ASBA 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 ASBA Form at the time of submission of the Bid;
22. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your ASBA Form; and

The ASBA Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Dont's:

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 pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send ASBA Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the ASBA Forms to any non-SCSB bank or our Company;
6. Do not Bid on a ASBA Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceeding Rs. 200,000 (for Bids by Retail Individual Bidders);
10. Do not fill up the ASBA Form such that the Equity Shares Bid for exceeds the Issue 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 or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible ASBA Forms or on ASBA Forms in a colour prescribed for another category of Bidder;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit more than five ASBA Forms per ASBA Account;

The ASBA Form is liable to be rejected if the above instructions, as applicable, are not complied with.

BIDS AT DIFFERFENT PRICE LEVELS AND REVISION OF BIDS

a) Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.

b) Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders

c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.

d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the ASBA Form along with

a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

COMMUNICATIONS

All future communications in connection with Bids made in this Issue should be addressed to the Registrar quoting the full name of the sole or First Bidder, ASBA Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of ASBA Form, name and address of the Application Collecting Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Bidders can contact the Compliance Officer or the Registrar in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

IMPERSONATION

Attention of the Bidders 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

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."

UNDERTAKINGS BY THE COMPANY

Our Company undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at EMERGE Platform of NSE where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;;
4. That our Promoter's contribution in full has already been brought in;
5. That no further issue of Equity Shares shall be made till the Equity Shares issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.; and
6. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
7. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchanges on which

the Equity Shares are proposed to be listed shall also be informed promptly;

8. If our Company withdraw the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Red Herring Prospectus with the RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;

9. Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period

UTILIZATION OF THE ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. all monies received out of the issue shall be 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;

2. details of all monies utilized out of the issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;

3. details of all unutilized monies out of the issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and

4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.

Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

EQUITY SHARES IN DEMATERIALSED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in the process of signing the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

a. Agreement dated May 19, 2015. among NSDL, the Company and the Registrar to the Issue;
b. Agreement dated April 24, 2015 among CDSL, the Company and the Registrar to the Issue;

The Company's shares bear ISIN no INE732S01012

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 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 Issue. For taking an investment decision, the Bidders should rely on their own examination of the Issue and the Issuer, and should carefully read the Red Herring prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken *inter-alia* through the Book-Building Process as well as to the Fixed Price Issue. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders in IPOs, 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 **("SEBI ICDR Regulations, 2009").**

Bidders should note that investment in equity and equity related securities involves risk and Bidder 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 Issuer undertaking the Issue are set out in the Red Herring Prospectus ("RHP")/Prospectus filed by the Issuer with the Registrar of Companies ("RoC"). Bidders should carefully read the entire RHP/Prospectus and the ASBA Form/Application Form and the Abridged Prospectus of the Issuer 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 this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM 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 may refer to the section "Glossary and Abbreviations".

SECTION 2: BRIEF INTRODUCTION TO IPOs ON SME EXCHANGE

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer 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 Issuer.

For undertaking an IPO, an Issuer 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, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the Red herring Prospectus/ Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer 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 Issuer. For undertaking an FPO, the Issuer is inter-alia required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR

Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, 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 Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), 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, 2009, an Issuer can either determine the Issue Price through the Book Building Process **("Book Built issues")** or undertake a Fixed Price Issue **("Fixed Price Issues")**. An issuer may mention Floor Price or Price Band in the DRHP (in case of a Book Built Issue) and a Price or Price Band in the DRHP (in case of a Book Built Issue) and a Price or Price Band in the Red Herring Prospectus (in case of a fixed 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 issuer 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 five Working Days before the Bid/ Issue Opening Date, in case of an IPO and at least 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 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 three Working Days (for all category of Bidders/Applicants) and not more than 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/Offer Period. Details of Bid/Offer Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer 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 three Working Days, subject to the total Bid/Offer Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM, and the advertisement in the newspaper(s) issued in this regard

2.6 MIGRATION TO MAIN BOARD

SME Issuer may migrate to the Main Board of SE from the SME Exchange at a later date subject to the following:

(a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), the Company shall apply to SE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for

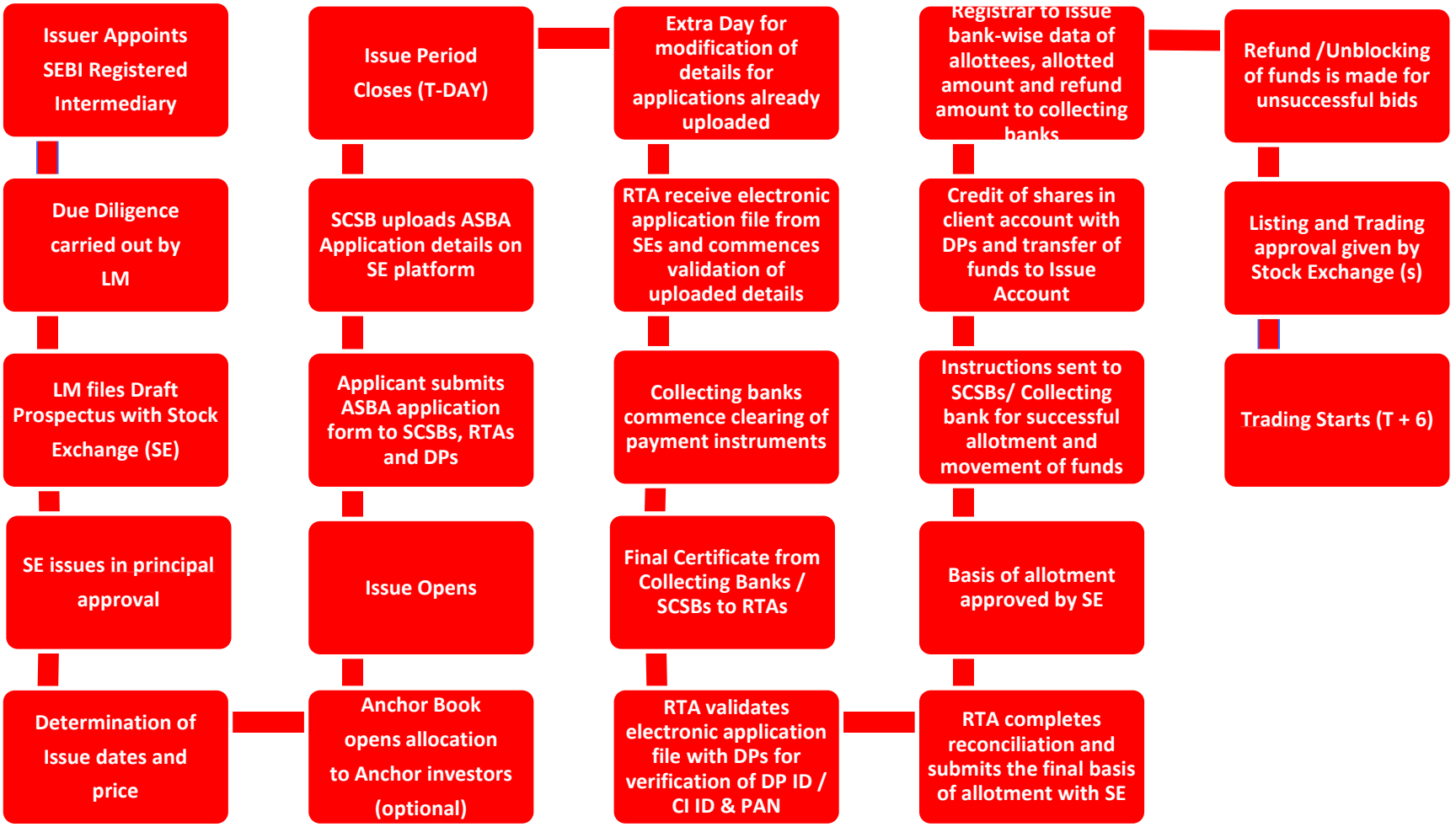
listing of specified securities laid down by the Main Board.

OR

(b) If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

2.7 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price Issues is as follows



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidders ***should check whether it is eligible to apply under applicable law.*** Furthermore, certain categories of Bidders , such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

1. Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors through natural/legal guardian;
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidders should specify that the Bid is being made in the name of the HUF in the ASBA Form as follows: Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Bids by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. State Industrial Development Corporations;
10. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
11. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
12. Insurance Companies registered with IRDA;
13. Provident Funds and Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
14. Multilateral and Bilateral Development Financial Institutions;
15. National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
16. Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
17. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of a member of the Syndicate or any other Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the book running lead managers, the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Offer 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 bearing the stamp of an SCSB as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered and Corporate Office of the Issuer. 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 color of the Bid cum

Application Form for various categories of Bidders/Applicants is as follows:

Category	**Colour of the ASBA (Excluding downloaded forms from SE website)**
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders applying in the reserved category	Not Applicable

Securities issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE ASBA FORM/APPLICATION FORM

Bidders may note that forms not filled completely or correctly as per instructions provided in this GID, the DRHP and the ASBA Form/ Application Form are liable to be rejected.

Instructions to fill each field of the ASBA Form can be found on the reverse side of the ASBA Form. Specific instructions for filling various fields of the Resident ASBA Form and Non-Resident ASBA Form and samples are provided below.

The samples of the ASBA Form for resident Bidders and the ASBA Form for non- resident Bidders are reproduced below:

R ASBA Form

COMMON BID CUM APPLICATION FORM

SAKAR HEALTHCARE LIMITED - PUBLIC ISSUE - R
Registered Office: 10/13 Nr. M.N. Desai Petrol Pump, Sarkhej Barda Highway, Changodar, Ahmedabad GJ -382213
Tel. No.: _____; Fax No.:_____; E-mil:_____ Website: www.sakarhealthcare.com
CIN: U24231GJ2004PLC043861

FOR RESIDENT INDIANS INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

TEAR HERE

To,
The Board of Directors
SAKAR HEALTHCARE LIMITED

BOOK BUILT ISSUE
ISIN-INE732S01012

Bid Cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER'S / SCSB / CDP / 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./M/s.

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"			
		Bid Price	Retail Discount	Net Price	"Cut-Off" (Please (✓) tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder

☐ Non Institutional Bidder

☐ QIB

6. INVESTOR STATUS

☐ Individual(s)	- IND
☐ Hindu Undivided Family*	- HUF
☐ Non-Resident Indians (Non-Repatriation basis)	- NRI
☐ Bodies Corporate	- CO
☐ Banks & Financial Institutions	- FI
☐ Mutual Funds	- MF
☐ National Investment Funds	- NIF
☐ Insurance Funds	- IF
☐ Insurance Companies	- IC
☐ Venture Capital Funds	- VCF
☐ Alternate Investment Funds	- AIF
☐ Others (Please Specify)	- OTH

*HUF Should apply only through Karta
(Application by HUF would be treated on par with individual)

PLEASE FILL IN BLOCK LETTERS

7. PAYMENT DETAILS | **PAYMENT OPTION : Full 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 ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC OFFERS ("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	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	SYNDICATE MEMBER/BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Offer	
Date: ....., 2016	1)	
	2)	
	3)	

TEAR HERE

SAKAR HEALTHCARE LIMITED - PUBLIC ISSUE - R

Acknowledgement Slip for Syndicate Member Broker/SCSB/CDP/RTA

Bid Cum Application Form No.

PAN of Sole / First Bidder

DPID / CLID

Amount Blocked (₹ in figures)		ASBA A/c. No.	
Bank & Branch			
Received from Mr./Ms./M/s.			
Telephone / Mobile		Email	

Stamp & Signature of SCSB Branch

TEAR HERE

SAKAR HEALTHCARE LIMITED - PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No.of Equity Shares			
Bid Price			
Amount Blocked (₹)			

Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA

Name of Sole / First Bidder

Acknowledgment Slip for Bidder

ASBA Bank A/c No.:

Bank & Branch:

Bid Cum Application Form No.

SAKAR HEALTHCARE LIMITED 1

TEAR HERE

www.sagarmita.com

NR ASBA Form

TEAR HERE

COMMON BID CUM APPLICATION FORM	SAKAR HEALTHCARE LIMITED - PUBLIC ISSUE - R Registered Office: 10/13 Nr. M.N. Desai Petrol Pump, Sarkhej Bavla Highway, Changodar, Ahmedabad GJ -382213 Tel. No.: _____; Fax No.:_____; E-mil:_____ Website: www.sakarhealthcare.com CIN: U24231GJ2004PLC043861	FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIs, FIIs FPIs OR FVCIs, ETC APPLYING ON A REPATRIATION BASIS

To,
The Board of Directors
SAKAR HEALTHCARE LIMITED

BOOK BUILT ISSUE
ISIN-INE732S01012

Bid Cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER'S / SCSB / CDP / 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./M/s.

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"			
		Bid Price	Retail Discount	Net Price	"Cut-Off" (Please (✓)tick)
	8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 2 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non Institutional Bidder
☐ QIB

6. INVESTOR STATUS

NRI	Non-Resident Indian(s) (Repatriation basis)
FII	FII or Sub Account not a Corporate/ Foreign Individual
FIISA	FII Sub Account Corporate/Individual
FVCI	Foreign Venture Capital Investor
FPI	Foreign Portfolio Investor
OTH	Others (Please Specify)

PLEASE FILL IN BLOCK LETTERS

7. PAYMENT DETAILS | **PAYMENT OPTION : Full 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 ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC OFFERS ("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	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	SYNDICATE MEMBER/BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Offer	
	1)	
	2)	
Date: ....., 2016	3)	

TEAR HERE

SAKAR HEALTHCARE LIMITED - PUBLIC ISSUE - R

Acknowledgement Slip for Syndicate Member Broker/SCSB/CDP/RTA

Bid Cum Application Form No.

PAN of Sole / First Bidder

DPID / CLID

Amount Blocked (₹ in figures)	ASBA A/c. No.	Stamp & Signature of SCSB Branch
Bank & Branch		
Received from Mr./Ms./M/s.		
Telephone / Mobile	Email	

TEAR HERE

SAKAR HEALTHCARE LIMITED - PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No.of Equity Shares			
Bid Price			
Amount Blocked (₹)			

Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA

Name of Sole / First Bidder

ASBA Bank A/c No.:

Bank & Branch:

Acknowledgment Slip for Bidder

Bid Cum Application Form No.

TEAR HERE

SAKAR HEALTHCARE LIMITED 1

www.sapprints.com

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST BIDDER

a) Bidders 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 should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Bidders should note that the contact details mentioned in the ASBA Form/ Application Form may be used to dispatch communications) 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 ASBA Form may be used by the Issuer, 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:** In the case of Joint Bids, the Bids should be made in the name of the Bidder 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 would be required in the ASBA Form/ Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the ASBA Form/ Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

d) **Impersonation:** Attention of the Bidders 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:

- ***makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or***
- ***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***
- ***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 of the said Act.

e) **Nomination Facility to Bidder:** 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 should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST BIDDER

a) PAN (of the sole/first Bidder) provided in the ASBA Form/Application Form should be exactly the same as the PAN of the person in whose sole or first 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 on behalf of the Central or State Government, Bids by officials appointed by the courts and Bids by Bidders residing in Sikkim ("PAN Exempted Bidders"). Consequently, all Bidders, other than the PAN Exempted Bidders, are required to disclose their PAN in the ASBA Form Form, irrespective of the Bid Amount. Bids by the Bidders 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 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) ASBA Forms which provide the GIR Number instead of PAN may be rejected.

e) Bids 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 DEPOSITORY ACCOUNT DETAILS

a) Bidder should ensure that DP ID and the Client ID are correctly filled in the ASBA Form. The DP ID and Client ID provided in the ASBA Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the ASBA Form is liable to be rejected**.

b) Bidder should ensure that the beneficiary account provided in the ASBA Form is active.

c) Bidder should note that on the basis of DP ID and Client ID as provided in the ASBA Form, the Bidder may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to the issue.

d) Bidder 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' 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 DRHP by the Issuer. The Issuer 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 one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least 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 undertaken through the Book Building Process. 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.

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 Offer 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 Bid Value and Bid Lot**: The Issuer in consultation with the BRLM may decide the minimum number of Equity Shares for each Bid to ensure that the minimum Bid value is within the range of above Rs.1,00,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum Bid 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 to the DRHP or the advertisement regarding the Price Band published by the Issuer.

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, Employees and Retail Individual Shareholders 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 Rs. 200,000.

b) In case the Bid Amount exceeds Rs. 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.

c) For NRIs, a Bid Amount of up to Rs. 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding Rs. 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

d) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds Rs. 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 Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cut off Price.

e) RII may revise or withdraw their bids until Bid/Offer Closing Date. 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.

f) In case the Bid Amount reduces to Rs. 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 Category would be considered for allocation under the Retail Category.

g) For Anchor Investors, if applicable, the Bid Amount shall be least Rs 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 Category 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/Offer 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 Offer Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.

h) A Bid cannot be submitted for more than the issue size.

i) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

j) 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.

4.1.4.2 Multiple Bids

(a) Bidder should submit only one ASBA Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the ASBA Form and such options are not considered as multiple Bids. Submission of a second ASBA Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of ASBA 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 ASBA 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 Issue portion in public category.

ii. Separate Bids by Mutual Funds in respect of more than 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) An Issuer can make reservation for certain categories of Bidders as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders may refer to the RHP.

(c) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders 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 Bidder may refer to the DRHP.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

(a) Each Bidder 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 Bidder, such as NRIs, FPIs and FVCIs may not be allowed to Bid/apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders are requested to refer to the Red Herring Prospectus for more details.

(c) Bidders 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 ASBA Form and Non-Resident ASBA Form.

(d) Bidders should ensure that their investor status is updated in the Depository records.

4.1.5 FIELD 7: PAYMENT DETAILS

(a) The full Bid Amount (net of any Discount, as applicable) shall be blocked in the ASBA Account based on the authorisation provided in the ASBA Form. If discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the ASBA Form and the funds shall be blocked for the Bid Amount net of Discount. Only in cases where the DRHP indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the ASBA Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount issued, if any.

(b) Bid Amount cannot be paid in cash, through money order or through postal order or through stock invest.

  (a) Bidders who Bid at Cut-off Price shall DEPOSIT the Bid Amount based on the Cap Price.

(c) All Bidders can participate in the Issue only through the ASBA mechanism.

(d) Please note that, providing bank account details in the space provided in the ASBA Form is mandatory and Applications that do not contain such details are liable to be rejected.

4.1.5.1 Payment instructions for Bidders

(a) Bidders may submit the ASBA Form either

  i. in electronic mode through the internet banking facility issued by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the ASBA Form, or

  ii. in physical mode to any Designated Intermediary.

(b) Bidders must specify the Bank Account number in the ASBA Form. The ASBA Form submitted by 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, will not be accepted.

(c) Bidders should ensure that the ASBA 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 one ASBA Account, a maximum of five ASBA Forms can be submitted.

(f) Bidders should submit the ASBA Form only at the Bidding Centre i.e to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations

(g) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.

(h) Bidders bidding directly through the SCSBs should ensure that the ASBA Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of the ASBA 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 ASBA 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 ASBA 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 accept such Bids and such bids are liable to be rejected.

(l) Upon submission of a completed ASBA Form each 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 ASBA 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 Issue 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.

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 Bids transfer the requisite money to the Public Issue 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 Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected 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 Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the ASBA 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 six Working Days of the Bid/Issue Closing Date.

(d) In the event of withdrawal or rejection of the ASBA Form and for unsuccessful Bidders, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within 6 Working Days of the Bid/Issue Closing Date.

4.1.5.2 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 issued 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 two lakh Rupees, the bidding system automatically considers such Bids for allocation under Non-Institutional Category. These Bids are neither eligible for Discount nor fall under RII category.

4.1.5.3 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to block funds 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.

4.1.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

(a) Only the First Bidder is required to sign the ASBA Form. Bidders 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 Bidder., then the Signature of the ASBA Account holder(s) is also required.

(c) In relation to the Bids, signature has to be correctly affixed in the authorization/undertaking box in the ASBA 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 ASBA Form.

(d) Bidders must note that ASBA Form without signature of Bidder and /or ASBA Account holder is liable to be rejected.

4.1.7 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

(a) Bidders should ensure that they receive the acknowledgment duly signed and stamped by Bid Collecting Intermediary or SCSB, as applicable, for submission of the ASBA Form.

(b) All communications in connection with Bid 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, the Bidders should contact the Registrar to the

ii. Issue.

iii. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders should contact the relevant Designated Branch of the SCSB.

iv. Bidders may contact the Company Secretary and Compliance Officer or BRLM in case of any other complaints in relation to the Issue.

v. In case of queries relating to uploading of Bids by a Syndicate Member, the Bidders should contact the relevant Syndicate Member.

vi. In case of queries relating to uploading of Bids by a Registered Broker, the Bidders should contact the relevant Registered Broker

vii. In case of Bids submitted to the RTA, the Bidders should contact the relevant RTA.

viii. In case of Bids submitted to the DP, the Bidders should contact the relevant DP.

(c) The following details (as applicable) should be quoted while making any queries -

i. Full name of the sole or First Bidder, ASBA Form number, Bidder' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Bid.
ii. name and address of the Designated Intermediary, where the Bid was submitted; or

For further details, Bidder may refer to the Red Herring Prospectus and the ASBA Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

(a) During the Bid/Issue Period, any Bidder (other than QIBs and NIIs, who can only revise their Bid amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.

(b) RII may revise / withdraw their Bid till closure of the Bid/Issue period.

(c) Revisions can be made only in the desired number of Equity Shares by using the Revision

Form.

(d) The Bidder can make this revision any number of times during the Bid/Issue Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the SCSB through which such Bidder had placed the original Bid.

A sample Revision form is reproduced below:

Revision Form – R

COMMON BID CUM APPLICATION FORM

SAKAR HEALTHCARE LIMITED - INITIAL PUBLIC ISSUE - R

Regd. Off. : Plot No. 10/13, Nr. M N. Desai Petrol Pump, Sarkhej Bavla Highway, Changodar, Ahmedabad – 382 213, Gujarat, India
Tel. No.: +91 2717 250477; Fax No.: +91 2717 251 621; E-mail: info@sakarhealthcare.com;
Website: www.sakarhealthcare.com; CIN: U24231GJ2004PLC043861

FOR RESIDENT INDIANS INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

Sakar Healthcare Ltd.

To,
The Board of Directors
SAKAR HEALTHCARE LIMITED

BOOK BUILT ISSUE
ISIN - INE732S01012

Bid Cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER'S / SCSB / CDP / 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./M/s.

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"			
		Bid Price	Retail Discount	Net Price	"Cut-Off" (Please (✓)tick)
	8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 2 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non Institutional Bidder
☐ QIB

6. INVESTOR STATUS

☐ Individual(s)	IND
☐ Hindu Undivided Family*	HUF
☐ Non-Resident Indians (Non-Repatriation basis)	NRI
☐ Bodies Corporate	CO
☐ Banks & Financial Institutions	FI
☐ Mutual Funds	MF
☐ National Investment Funds	NIF
☐ Insurance Funds	IF
☐ Insurance Companies	IC
☐ Venture Capital Funds	VCF
☐ Alternate Investment Funds	AIF
☐ Others (Please Specify)	OTH

*HUF Should apply only through Karta
(Application by HUF would be treated on par with individual)

PLEASE FILL IN BLOCK LETTERS

7. PAYMENT DETAILS — **PAYMENT OPTION : Full 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 ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC OFFERS ("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	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	SYNDICATE MEMBER/BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date: ....., 2016	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Offer 1) 2) 3)	

TEAR HERE

Sakar Healthcare Ltd.

SAKAR HEALTHCARE LIMITED - INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Syndicate Member Broker/SCSB/CDP/RTA

Bid Cum Application Form No.

PAN of Sole / First Bidder

DPID / CLID

Amount Blocked (₹ in figures)	ASBA A/c. No.	Stamp & Signature of SCSB Branch
Bank & Branch		
Received from Mr./Ms./M/s.		
Telephone / Mobile	Email	

TEAR HERE

SAKAR HEALTHCARE LIMITED - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No.of Equity Shares			
Bid Price			
Amount Blocked (₹)			

Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA

ASBA Bank A/c No.:

Bank & Branch:

Name of Sole / First Bidder

Acknowledgment Slip for Bidder

Bid Cum Application Form No.

SAKAR HEALTHCARE LIMITED 1

www.sakarhealthcare.com

Revision Form – NR

COMMON BID REVISION FORM

SAKAR HEALTHCARE LIMITED - INITIAL PUBLIC ISSUE - NR
Regd. Off. : Plot No. 10/13, Nr. M N. Desai Petrol Pump, Sarkhej Bavla Highway, Changodar, Ahmedabad – 382 213, Gujarat, India
Tel. No.: +91 2717 250477; Fax No.: +91 2717 251 621; E-mail: info@sakarhealthcare.com;
Website: www.sakarhealthcare.com; CIN: U24231GJ2004PLC043861

FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIs, FIIs FPIs OR FVCIs, ETC APPLYING ON A REPATRIATION BASIS

Sakar Healthcare Ltd.

To,
The Board of Directors
SAKAR HEALTHCARE LIMITED

BOOK BUILT ISSUE
ISIN - INE732S01012

Bid Cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER'S / 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./M/s.
Address
Email
Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDERS 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) (in Figures)	Price per Equity Share (₹)/ "Cut-off" (In Figures)			
		Bid Price	Retail Discount, if any	Net Price	"Cut-off" (Please ✓ tick)
	8 7 6 5 4 3 2 1	4 3 2 1	3 2 1	4 3 2 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

OLD BID

5. TO (REVISED BID) (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" (In Figures)			
		Bid Price	Retail Discount, if any	Net Price	"Cut-off" (Please ✓ tick)
	8 7 6 5 4 3 2 1	4 3 2 1	3 2 1	4 3 2 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

REVISED BID

6. PAYMENT DETAILS | **PAYMENT OPTION : Full Payment** ☐

Additional Amount Paid (₹ in Figures) (₹ in words)

ASBABank 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 ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC OFFERS ("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.

7 A. SIGNATURE OF SOLE / FIRST BIDDER	7 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	SYNDICATE MEMBER/BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date: ....., 2016	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Offer 1) 2) 3)	

TEAR HERE

Sakar Healthcare Ltd.

SAKAR HEALTHCARE LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - NR

Acknowledgement Slip for Syndicate Member Broker/SCSB/CDP/RTA

Bid Cum Application Form No.

PAN of Sole / First Bidder

DPID / CLID

Additional Amount Blocked (₹ in figures) | ASBA A/c. No. | **Stamp & Signature of SCSB Branch**
Bank & Branch

REVISED BID

Received from Mr./Ms.
Telephone / Mobile | Email

TEAR HERE

SAKAR HEALTHCARE LIMITED- BID REVISION FORM - INITIAL PUBLIC ISSUE - NR

	Option 1	Option 2	Option 3
No.of Equity Shares			
Bid Price			
Additional Amount Blocked (₹)			

REVISED BID

Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA

Name of Sole / First Bidder

Acknowledgment Slip for Bidder

ASBA Bank A/c No.:
Bank & Branch:

Bid Cum Application Form No.

www.sapyams.com

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER, PAN OFSOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER

Bidders 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 number of shares in the Revision Form, the Bidder must also mention the details of shares applied/bid for given in his or her ASBA Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the ASBA Form and such Bidder is changing only one of the options in the Revision Form, the Bidder must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate, the Registered Brokers 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 in the same order as provided in the ASBA Form.

(c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders should ensure that the Bid Amount, subsequent to revision, does not exceed Rs. 200,000. In case the Bid Amount exceeds Rs. 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 Rs. 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the DRHP. 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 and Bids by Employees under the Reservation Portion, 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 in case of Bidders.

4.2.3 FIELD 6: PAYMENT DETAILS

a) All Bidders are required to make payment of the full Bid Amount (less Discount, if applicable) along with the Bid Revision Form. In case of Bidders specifying more than one Bid Option in the ASBA Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount issued, if any.

b) Bidder may Issue 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 Designated Intermediary through whom such Bidder had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds Rs. 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the DRHP. If, however, the Bidder 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 may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder is deemed to have approved such revised Bid at the Cut-off Price.

d) 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 may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 SUBMISSION OF REVISION FORM/ ASBA FORM /APPLICATION FORM

4.3.1 Bidders may submit completed ASBA form / Revision Form in the following manner:-

Mode of Bid	Submission of ASBA Form
All investors Bids	To the Bid cum Application Collecting Intermediaries as mentioned in the Red herring Prospectus/ ASBA Form

Bidders should submit the Revision Form to the same Designated Intermediary through which such Bidders had placed the original Bid.

SECTION 5: INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

This being book built issue procedure for fixed price issue is not applicable.

SECTION 6- 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.

6.1 SUBMISSION OF BIDS

a) During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.

b) In case of Bidders (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).

c) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders are requested to refer to the DRHP.

6.2 ELECTRONIC REGISTRATION OF BIDS

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries 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 on-line facilities for Book Building on a regular basis before the closure of the issue.

b) On the Bid/Issue Closing Date, the Designated Intermediaries 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 Designated Intermediaries are given till 1:00 pm on the day following 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 to the Issue for further processing.

6.3 BUILD UP OF THE BOOK

Bids received from various Bidders through the Designated Intermediaries 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/Offer Period.

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/Offer Period.

6.4 WITHDRAWAL OF BIDS

a) RIIs can withdraw their Bids until Bid/Issue Closing Date. 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 Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

b) 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.

6.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:

1) the Bids accepted by the Designated Intermediaries,

2) the Bids uploaded by the Designated Intermediaries, and

3) the ASBA Forms accepted but not uploaded by the Designated Intermediaries.

b) The BRLM and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the ASBA 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) BRLM and their affiliate Syndicate Members (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.

GROUNDS OF REJECTIONS

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the ASBA Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;

- Submission of more than five ASBA Forms/Application Form as through a single ASBA Account
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the DRHP;
- The amounts mentioned in the ASBA Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- ASBA Forms not delivered by the Bidder within the time prescribed as per the ASBA Forms, Bid/Issue Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the ASBA Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the ASBA Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges; and
- Where no confirmation is received from SCSB for blocking of funds
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the ASBA Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Details of ASBA Account not provided in the ASBA Form

For details of instructions in relation to the ASBA Form, Bidders may refer to the relevant section the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE ASBA FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE ASBA FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOCATION

a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders 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 ASBA Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the DRHP.

b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.

c) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the DRHP.

d) **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 Rs.20 to Rs 24 per share, Issue size of 3,000 Equity Shares and receipt of 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 Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (Rs.)	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 Equity Shares is the price at which the book cuts off, i.e., Rs. 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below Rs. 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

This being Book Built Issue, this section is not applicable for this Issue.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to DRHP. 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 Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Issue for Sale of specified securities). However, in case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable.

7.1 BASIS OF ALLOTMENT

Allotment will be made in consultation with the SME Exchange of NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

(a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category x number of Shares applied for).

(b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

(c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:

i. Each successful Bidder shall be allotted [●] equity shares; and

ii. The successful Bidder out of the total bidders for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.

(d) If the proportionate allotment to an Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.

(e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares issued, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the issue specified under the Capital Structure mentioned in this DRHP.

(f) The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Bidders as described below:

i. As the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

ii. The balance net issue of shares to the public shall be made available for allotment to

- individual bidders other than retails individual investors and
- other investors, including corporate bodies/ institutions irrespective of number of shares applied for.

iii. The unsubscribed portion of the net issue to any one of the categories specified in a) or b) shall/may be made available for allocation to bidders in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/-.Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE- the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.

(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 Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders **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 who have been Allotted Equity Shares in the Issue.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Bidders Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer 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 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 Working Days of the Bid/Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer 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 Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

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 Issuer may forthwith repay, without interest, all moneys received from the Bidders in pursuance of the DRHP/Prospectus.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, 2013 and as disclosed in the DRHP.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the "stated minimum amount" has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this issue document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies Act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013).

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may

be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

8.3 MODE OF REFUND

Within 6 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 Bids and also for any excess amount blocked on Bids.

8.3.1 Mode of making refunds

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 /or demat credits are not made to Bidders or instructions for unblocking of funds in the ASBA Account are not dispatched within the 4 Working days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 days from the Bid/Issue 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 document 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
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid.
Allotment/ Allot/ Allotted	Unless the context otherwise requires, issue / allotment of Equity Shares pursuant to the Issue to successful Applicants.
Allottee(s)	Successful Bidders(s) to whom Equity Shares have been allotted/transferred.
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account
Application Supported by Blocked Amount Form/ASBA Form	An application from, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus.
ASBA Account	An account maintained with an SCSB and specified in the ASBA Form submitted by Bidders for blocking the Bid Amount mentioned in the ASBA Form
ASBA form	An application form, whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of this Red Herring Prospectus.
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Surat and Ahmedabad
Banker(s) to the Issue	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public issue Account will be opened and in this case being ICICI Bank Limited
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under chapter titled "*Issue Procedure*" beginning on page 277 of this Red Herring Prospectus.
Bid	An indication to make an issue during the Bid/Issue Period by a Bidder pursuant to submission of the ASBA Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in accordance with the Red Herring Prospectus and ASBA Form
Bid Amount	The highest value of optional Bids indicated in the ASBA Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the ASBA Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue
Bid cum Application Form	An application form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring

Term	Description
	Prospectus and the Prospectus
Bid/ Issue Closing Date	The date after which the Syndicate, the Designated Branches and the Registered Brokers will not accept any Bids, which shall be notified in [●] edition of the English national newspaper [●], [●] edition of the Hindi national newspaper [●], and [●] edition of the Gujarati newspaper [●], each with wide circulation and in case of any revision, the extended Bid/Issue Closing Date shall also be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations
Bid/ Issue Opening Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in [●] edition of the English national newspaper [●], [●] edition of the Hindi national newspaper [●], and [●] edition of the Bengali newspaper [●], each with wide circulation, and in case of any revision, the extended Bid/Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.
Bidder	Any prospective investor who makes a Bid/Application pursuant to the terms of the DRHP/RHP/Prospectus and the ASBA Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicants should be construed to mean an Applicant
Book Building Process	Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Issue is being made
Book Running Lead Managers or BRLM	The book running lead managers to the Issue namely Pantomath capital Advisors Private Limited
Broker Centres	Broker centres notified by the Stock Exchanges, where the Bidders can submit the ASBA Forms 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 website of NSE.
Business Day	Monday to Saturday (except 2nd & 4th Saturday of a month and public holidays)
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/transferred , 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 will not be finalised and above which no Bids will be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI 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
Cut-off Price	Issue Price, which shall be any price within the Price Band finalised by our Company in consultation with the BRLM. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non Institutional Bidders are not entitled to Bid at the Cut-off Price.
Controlling Branch/Designated Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at

Term	Description
	http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
Demographic Details	The demographic details of the Bidders such as their address, PAN, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the ASBA Forms used by Bidders/Applicants (exc Anchor Investor) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms to Collecting Depository Participants. 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.nseindia.com) and updated from time to time
Designated Date	The date on which funds blocked by SCSB are transferred from the ASBA account to the Public Issue Account after filing of prospectus with RoC
Designated Intermediary(ies)	Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the Bidders, in relation to the Issue
Designated RTA Locations	Such centres of the RTAs where Bidder can submit the Bud cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange (www.nseindia.com) and updated from time to time
Designated Stock Exchange	The designated stock exchange as disclosed in the Red herring prospectus/ Prospectus of the issuer
Designated CDP Locations	Such centres 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 website of the Stock Exchange (www.nseindia.com) and updated from time to time
Draft Red Herring Prospectus or DRHP	This Draft Red Herring Prospectus dated September 14, 2016 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 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 promoters. For further details, Bidder/Applicant may refer to the DRHP
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 demand drafts or transfer money through NEFT or RTGS in respect of the Bid Amount when submitting a Bid

Term	Description
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the issue, the Book Running Lead Manager(s), the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
FCNR Account	Foreign Currency Non-Resident Account
First/sole Bidder	Bidder whose name shall be mentioned in the ASBA Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
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, 2009, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids will be accepted
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public issuing
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
Issuer/Company	The Issuer proposing the initial public issueing/further public issueing as applicable
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
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
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 DRHP/RHP/Prospectus and ASBA Form
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 issue or invitation under the Issue and in relation to whom the DRHP/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 corporates 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

Term	Description
	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 DRHP/RHP/Prospectus and the ASBA Form
Non-Resident	A person resident outside India, as defined under FEMA and includes FIIs and FPIs
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
Issue	The initial public issue of fresh issue of 29,61,000 Equity Shares of face value of Rs.10 each for cash at a price of Rs. [●] each, aggregating up to Rs.[●].
Other Investors	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
Issue Price	The final price at which Equity Shares will be Allotted in terms of the Red Herring Prospectus The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book-Building Process and the Red Herring Prospectus
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price band of a minimum price of Rs.[●] per Equity Share (Floor Price) and the maximum price of Rs.[●] per Equity Share (Cap Price) including revisions thereof. The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and will be advertised at least five Working Days prior to the Bid/Issue Opening Date, in [●] edition of the English national newspaper [●], [●] edition of the Hindi national newspaper [●] and [●] edition of the Gujarati newspaper [●], each with wide circulation
Pricing date	The date on which our Company in consultation with the BRLM, will finalise the Issue Price
Prospectus	The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 32 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information
Public Issue Account	Account opened with the Banker to the Issue i.e. ICICI Bank Ltd under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the bidders on the Designated Date.
Qualified Institutional Buyers or QIBs	Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of the SEBI (ICDR) Regulations, 2009.
RTGS	Real Time Gross Settlement
Red Herring Prospectus or RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at

Term	Description
	which the Equity Shares will be issueed and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus will be registered with the RoC at least three days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date
Refund Account(s)	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 Bidders) shall be made.
Refund Bank(s) / Refund Banker(s)	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being ICICI Bank Limited
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being being Bigshare Services Private Limited having registered office at E/2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri East, Mumbai– 400 072, India
Reserved Category / Categories	Categories of persons eligible for making Bids under reservation portion.
Revision Form	Form used by the Bidders, to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Forms or any previous Revision Form(s)
Reservation Portion	The portion of the issue reserved for category of eligible Bidders as provided under the SEBI (ICDR) Regulations, 2009
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which issue the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised Intermediaries or at such other website as may be prescribed by SEBI from time to time
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Stock Exchanges / SE	The stock exchanges as disclosed in the DRHP/RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate or Members of the Syndicate	The BRLM and the Syndicate Members
Syndicate Agreement	Agreement entered into amongst the BRLM, the Syndicate Members, our Company in relation to the procurement of ASBA Forms by Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, [●]

Term	Description
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated September 20, 2016 entered into between the Underwriter and our Company
Working Day	"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/Issue Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 **("FEMA").** While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made**.** Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment.

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment **("FDI")** through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India **("DIPP"),** has issued consolidated FDI Policy Circular of 2016 **("FDI Policy 2016")**, which with effect from June 7, 2016, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. Further, DIPP has issued Press note 5, dated June 24, 2016 which introduces few changes in FDI Policy. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2016 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India **("RBI")** also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is 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. 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.

Under the current FDI Policy of 2016, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. FDI is permitted upto 100 % in Greenfield projects and 74% in Brownfield projects under the automatic route and FDI beyond 74% in Brownfield projects requires FIPB approval. FDI is permitted up to 100 percent under the automatic route in the hospital sector and in the manufacture of medical devices.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act

and the applicable laws of the jurisdiction where those offers and sale occur. Further, no offer to the public (as defined under Directive 20003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Red Herring Prospectus or otherwise in respect of the Bonds, in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Red Herring Prospectus or otherwise in respect of the Bonds. Any forwarding, distribution or reproduction of this document in whole or in part is unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions of the Bonds and the information contained in this Red Herring Prospectus.

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 Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager 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. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION VII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

ARTICLES OF ASSOCIATION
OF

SAKAR HEALTHCARE LIMITED

1		No regulations contained in Table "F" in the First Schedule to the Companies Act, 2013 shall apply to this Company, but the regulations for the management of the Company and for the observance by the members thereof and their representatives shall, subject to any exercise of the statutory powers by the Company with reference to the repeal or alteration of, or addition to its regulations by Special Resolution, as prescribed by the said Companies Act, 2013, be such as are contained in the said Articles.	Table "F" not to apply but Company to be governed by these Articles
INTERPRETATION			
2		The marginal notes hereto shall not affect the construction hereof. In the interpretation of these Articles the following expression shall have the following meanings, unless repugnant to the subject or context:	Interpretation
		"The Act" - means the Companies Act, 1956 and / or the Companies Act 2013 (as may be in force) as the context may so require and includes the rules made thereunder and any statutory modification or re-enactment thereof for the time being in force.	The Act
		"Alter" or "Alteration" shall include the making of additions, omissions and substitutions.	Alter and Alteration
		"Annual General Meeting" - means a general meeting of the members held in accordance with the provisions of the Section 96 of the Companies Act, 2013.	Annual General Meeting
		"Articles" means the Articles of Association of a Company as originally framed or as altered from time to time or applied in pursuance of any previous company law or of this Act.	Articles of Association
		"Auditors" - means and includes the persons appointed as such for the time being of the Company.	Auditors
		"Beneficial Owner" - shall mean beneficial owner as defined in clause (a) of sub section (1) of Section 2 of the Depositories Act, 1996.	Beneficial Owner
		"Board" or "Board of Directors" - means a meeting of the Directors or a Committee thereof duly called and constituted, or as the case may be, the Directors assembled at a Board or the requisite number of Directors entitled to pass a Circular Resolution in accordance with these Articles, or acting by Circular Resolution under the Articles.	Board of Directors
		"Bye-laws" - means the Bye-laws which may be made by the Board of Directors of the Company under these Articles and which may for the time being be in force.	Bye-laws
		"Capital" - means the capital for the time being raised for the purpose of the Company.	Capital
		"The Chairman" - means the Chairman of the Board of Directors for the time being of the Company.	Chairman
		"The Company" or "This Company" - means SAKAR HEALTHCARE LIMITED	The Company or This

			Company
		"Debenture" - includes debenture stock, bonds or any other instrument of the Company evidencing a debt, whether constituting a charge on the assets of the Company or not.	Debenture
		"Depositories Act, 1996" - shall include statutory modifications or re-enactment thereof.	Depositories Act
		"Depository" - shall mean a Depository as defined under clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996.	Depository
		"Directors" - means the Directors for the time being of the Company or as the case may be, the Directors assembled at a Board, or acting under a Circular Resolution under the Articles.	Directors
		"Dividend" - includes any interim dividend.	Dividend
		"Documents" - includes summons, notices, requisition, other legal process and registers, whether issued, sent or kept in pursuance of the Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form.	Documents
		"Executor" or "Administrator" - means a person who has obtained Probate or Letter of Administration, as the case may be, from a Competent Court.	Executor or Administrator
		"General Meeting" - means a general meeting of the members whether Annual or Extra Ordinary General meeting duly called and convened as per these Articles of Association and in accordance with these provisions of the Companies Act, 2013.	General Meeting
		"Group" - means a group of two or more individuals, associations, firms or bodies corporate, or any combination thereof, which exercises or is in a position to exercise, or has the subject of exercising, control over any individual, body corporate, firm or trust.	Group
		"In writing" or "written" – means and includes words printed, lithographed, represented or reproduced in any other modes in a visible form, including telex, telegram.	In Writing and Written
		"Key managerial personnel", in relation to a Company, means— (i) the Chief Executive Officer or the managing Director or the manager; (ii) the Company secretary; (iii) the whole-time Director; (iv) the Chief Financial Officer; and (v) such other officer as may be prescribed;	Key Managerial Personnel
		"Managing Director" means a Director who, by virtue of the articles of a Company or an agreement with the Company or a resolution passed in its general meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the Company and includes a Director occupying the position of managing Director, by whatever name called.	Managing Director
		"Members" - means the duly registered holders, from time to	Members

		time of the shares of the Company and includes the subscribers to the Memorandum of the Company and the beneficial owner(s) as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.	
		"Memorandum" means the Memorandum of Association of a Company as originally framed or as altered from time to time in pursuance of any previous Company Law or of this Act.	Memorandum of Association
		"Month" - means a calendar month.	Month
		"Office" - means the registered office for the time being of the Company	Office
		"Ordinary Resolution" - shall have the meaning assigned to it by Section 114 of the Companies Act, 2013.	Ordinary Resolution
		"Paid-up" - includes capital credited as paid up.	Paid-up
		"Persons" – includes individuals, any Company or association or body of individuals whether incorporated or not.	Persons
		"Postal Ballot" means voting by post or through any electronic mode.	Postal Ballot
		"Promoter" means a person— (a) who has been named as such in a prospectus or is identified by the Company in the annual return referred to in section 92; or (b) who has control over the affairs of the Company, directly or indirectly whether as a shareholder, Director or otherwise; or (c) in accordance with whose advice, directions or instructions the Board of Directors of the Company is accustomed to act: Provided that nothing in sub-clause (c) shall apply to a person who is acting merely in a professional capacity	Promoter
		"Proxy" - means an instrument whereby any person is authorised to vote for a member at the general meeting or poll.	Proxy
		"The Register of Members" - means the register of members to be kept pursuant to Section 88 of the Companies Act, 2013.	The Register of Members
		"The Registrar" - means the Registrar of Companies.	The Registrar
		"Seal" - means the Common Seal for the time being of the Company.	Seal
		"SEBI" – means the Securities and Exchange Board of India.	SEBI
		"Secretary" - means and include a temporary or Assistant Secretary and any person or persons appointed by the Board [in accordance with the provisions of the Companies (Secretary's Qualifications) Rules 1975 or any other rules for the time being in force] to perform any of the duties of the Secretary.	Secretary
		"Shares" - means the shares or stocks into which the capital of the Company is divided and the interest corresponding with such shares or stocks except where a distinction between	Shares

		stocks and shares is expressed or implied.	
		"Special Resolution"- shall have the meaning assigned thereto by Section 114 of the Companies Act, 2013.	Special Resolution
		"Tribunal" – means the National Company Law Tribunal constituted under Section 408 of the Companies Act, 2013.	Tribunal
		"Whole-time Director" includes a Director in the whole-time employment of the Company.	Whole-time Director
		"Year" - means the calendar year and "Financial Year" - shall have the meaning assigned thereto by Section 2(41) of the Companies Act, 2013.	Year
		Words importing the masculine gender also include the feminine gender.	Gender
		Words importing the singular number includes where the context admits or requires, the plural number and vice versa.	Singular Number
		Unless the context otherwise requires, words and-expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof for the time being in force.	Expressions in the Act to bear the same meaning in Articles
CAPITAL			
3	(a)	The Authorised Share Capital of the Company will be as that specified in Clause V of the Memorandum of Association from time to time in accordance with the regulations of the Company and the legislative provision for the time being in force in this behalf and power to divide the Share Capital into Equity Share Capital or Preference Share Capital and to attach thereto respectively, any preferential, qualified or special rights, privileges or conditions, and to vary, modify and abrogate the same in such manner as may be determined by or in accordance with these presents PROVIDED HOWEVER that where any Government has made an order under sub-section 4 of Section 62 of the Companies Act, 2013 directing that any debenture issued by the Company or loan taken by the Company or any part thereof shall be converted into shares of the Company and no appeal has been preferred to the Tribunal under sub-section (4) of Section 62 of the Companies Act, 2013 or where such appeal has been dismissed, the memorandum of the Company shall, where such order has the effect of increasing the Authorised Share Capital, stand altered and the Authorised Share Capital of the Company shall stand increased by an amount equal to the amount of the value of the shares into which such debentures or loans or part thereof has been converted.	Authorised Share Capital
	(b)	The holders of Preference Shares shall be entitled to be paid out of the profits which the Directors shall determine to distribute by way of dividend, a fixed cumulative preferential dividend at such rates as may be fixed by the Company (free of Company's tax but subject to deduction of tax at source at the prescribed rate), on the amount credited as paid up thereon and to the right, on winding up, to be paid all arrears of preferential dividend, whether earned or declared or not, down to the commencement of winding up, and also to be repaid the amount of capital paid or credited as paid up on	Preference Shares, Rights of Holders

		the Preference Shares held by them respectively in priority to any payment in respect of Equity Shares, but shall not be entitled to any other rights in the profits or assets of the Company. Subject as aforesaid and 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 the 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 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)	Subject to the provisions of Section 80 of the Companies Act, 1956 (as may be applicable) and Section 55 of the Companies Act, 2013 (as may be applicable) the following provisions shall apply in regards to redemption of Cumulative Preference Shares:	
		(i) The Company may subject to the terms of issue at any time but in any event not later than twenty years from the issue of shares apply any profits or monies of the Company which may be lawfully applied for the purpose in the redemption of the preference shares at par together with a sum equal to arrears of dividend thereon down to the date of redemption.	
		(ii) In the case of any partial redemption under sub-clause (c)(i) of this Article, the Company shall for the purpose of ascertaining the particular shares to be redeemed, cause a drawing to be made at the office or at such other place as the Directors may decide, in the presence of a representative of the Auditors for the time being of the Company.	
		(iii) Forthwith after every such drawing the Company shall give to the holders of the shares drawn for redemption notice in writing of the Company's intention to redeem the same fixing a time (not less than three months thereafter) and the place for the redemption and surrender of the shares to be redeemed.	
		(iv) At the time and place so fixed each holder shall be bound to surrender to the Company the Certificate for his shares to be redeemed and the Company shall pay to him the amount payable in respect of such redemption and 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 thereof.	
	(d)	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 said Preference Shares, PROVIDED in the event of its creating and/or issuing Preference Shares in future, ranking pari passu with the Preference Shares proposed to be issued, the Company would do so only with the consent of the holders of not less than three-fourths of the Preference Shares then	

		outstanding.	
	(e)	The Redeemable Cumulative Preference Shares shall not confer on 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(2) of the Companies Act, 2013.	
	(f)	The rights, privileges and conditions for the time being attached to the Redeemable Cumulative Preference Shares may be varied, modified or abrogated in accordance with the provisions of these Articles and of the Act.	
4	(a)	The Company in general meeting may, by ordinary resolution from time to time, increase the capital by creation of new shares of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the resolution shall prescribe, and in particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at general meeting of the Company in conformity with Sections 47 and 55 of the Companies Act, 2013.	Increase of capital by the Company and how carried into effect
	(b)	Whenever the capital of the Company has been increased under the provisions of this Article the Company shall file with the Registrar notice of the increase of capital as required by Section 64 of the Companies Act, 2013 within thirty days of the passing of the resolution authorising the increase, or of the receipt of the order of the Government or consequent upon an order made by the Government under Section 62 of the Companies Act, 2013.	
5		Neither the original capital nor any increased capital shall be more than two kinds, namely (i) Equity Share Capital and (ii) Preference Share Capital, as defined in Section 43 of the Companies Act, 2013.	Capital of two kinds only.
6		Except in so far as otherwise provided by the conditions of issue or by these Articles any capital raised by creation of new shares, shall be considered as part of the existing capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	New Capital same as existing capital
7		Subject to the provisions of Section 55 of the Companies Act, 2013, the Company shall have the power to issue Preference Shares which are or at the option of the Company are to be liable to the redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.	Redeemable Preference Shares
8		On the issue of Redeemable Preference Shares under the provisions of Article 7 hereof and subject to the provisions of the Act, the following provisions shall take effect :	Provisions to apply on Issue of Redeemable Preference Shares

	(a)	No such shares shall be redeemed except out of 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 purposes of the redemption.	
	(b)	No such shares shall be redeemed unless they are fully paid.	
	(c)	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.	
	(d)	Where such shares are proposed to be redeemed out of the profits of the Company, there shall out of such profits, be transferred to a reserve fund to be called 'The Capital Redemption Reserve Account', a sum equal to the nominal amount of the shares to be redeemed and the provisions of the Companies Act, 2013 relating to the reduction of the Share Capital of the Company shall, except as provided in Section 55 of the Companies Act, 2013, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.	
	(e)	Subject to the provisions of Section 55 of the Companies Act, 2013, the redemption of Preference Shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit.	
9		The Company may from time to time by special resolution, subject to confirmation by the Court or the Tribunal (as may be applicable) and subject to the provisions of Sections 52, 55 and 66 of the Companies Act, 2013 and other applicable provisions, if any, reduce its share capital in any manner and in particular may –	Reduction of Capital
	(a)	extinguish or reduce the liability on any of its shares in respect of the share capital not paid-up; or	
	(b)	either with or without extinguishing or reducing the liability on any of its shares, -	
		(i) cancel any paid up share capital which is lost or is unrepresented by available assets;	
		(ii) pay off any paid up share capital which is in excess of the wants of the Company.	
9A		Notwithstanding anything contained in these Articles, the Company may purchase its own shares or other securities, and the Board of Directors may, when and if thought fit, buy back such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions and subject to such approvals, as may be permitted by law.	Buy Back of Shares
10		The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.	Increase of Share Capital
10A		Subject to the provisions of Section 61 of the Companies Act, 2013, the Company in general meeting may from time to time by an ordinary resolution alter its Memorandum to:	Consolidation, division, subdivision And cancellation of shares

	(a)	Consolidate and divide all or any of its capital into shares of larger amount than its existing shares;	
	(b)	Sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum, so however, that in the subdivision 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;	
	(c)	Cancel any shares which, at the date of the 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. A cancellation of shares in pursuance of this sub-clause shall not be deemed to be reduction of share capital within the meaning of the Act. Whenever the Company does any one or more of the things provided for in the foregoing sub-clauses (a), (b) and (c), the Company shall, within thirty days thereafter give notice thereof to the Registrar as required by Section 64 of the Companies Act, 2013 specifying, as the case may be, the shares consolidated, divided, sub-divided or cancelled.	
11		Whenever the share capital of the Company, 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 each class may, subject to the provisions of Section 48 of the Companies Act, 2013, be varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or by means of a special resolution passed at a separate general meeting of the holders of shares of that class, and all the provisions hereafter contained as to general meetings shall, mutatis mutandis, apply to every such meeting. This Article is not to derogate from any power the Company would have if this Article was omitted. Provided that if variation by one class of shareholders of the Company affects the rights of any other class of Shareholders of the Company, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this Article shall apply to such variation. The rights conferred upon the holders of the shares (including Preference Shares, if any) of any class issued with preferred or other rights or privileges shall unless otherwise expressly provided by the terms of the issue of shares of that class be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	Modification of rights
SHARES, DEBENTURES, OTHER SECURITIES AND CERTIFICATES			
12		The Company shall cause to be kept and maintained a Register of Members, register of debenture-holders, and a register of any other security holders in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares, debentures, or other securities held in material and dematerialised forms in any media as may be permitted by law including in any form	Register and Index of Members

		of electronic media. The Company is authorised to, if so required by the Company, maintain a part of its register of members, register of debenture holders and / or register of any other security holders outside India (such part of the relevant register shall be called the **"Foreign Register"**) and such Foreign Register shall contain the names and particulars of the members, debenture holders, other security holders or beneficial owners (as the case may be) residing outside India.	
12A	(1)	Notwithstanding anything to the contrary contained in these Articles, the Company shall be entitled to dematerialise and rematerialise its existing shares, debentures and other securities and/or to offer its fresh shares, debentures and other securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any, and the register and index of beneficial owners maintained by the relevant Depository under section 11 of the Depositories Act, 1996, shall be deemed to be the corresponding register and index maintained by the Company.	Dematerialisation
	(2)	Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is a 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 of Securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in the records the name of the allottee as the beneficial owner of the security.	Options for Investors
	(3)	All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in sections 89 and 112 and such other applicable provisions of the Companies Act, 2013 shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.	Securities with Depositories to be in fungible form
	(4)	(a) Notwithstanding anything to the contrary contained in the Companies Act, 1956, the Companies Act, 2013 or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of securities on behalf of the beneficial owner. (b) Save and otherwise provided in (a) 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. (c) 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 rights and benefits and be subject to all liabilities in respect of the securities held by a Depository on behalf of the beneficial owner.	Rights of Depositories and Beneficial Owners

	(5)	Notwithstanding anything contained in the Companies Act, 1956, the Companies Act, 2013 or these Articles to the contrary, where securities are held with a Depository the records of the beneficial ownership may be served by such Depository on the Company by means of registered post or by speed post or by courier service or by leaving it at its Registered Office or by means of such electronic or other mode as may be prescribed.	Service of Documents
	(6)	Nothing contained in Section 56 of the Companies Act, 2013, or these Articles shall apply to transfer of securities issued by the Company, effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.	Transfer of Securities
	(7)	Notwithstanding anything contained in Section 56 of the Companies Act, 2013 or these Articles, where securities issued by the Company are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.	Allotment of Securities dealt with in a Depository
	(8)	Nothing contained in Section 56 of the Companies Act, 2013 or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company, shall apply to securities held with a Depository.	Distinctive numbers of Securities held with a Depository
13		The Board of Directors shall observe the restrictions as to allotment of shares to the public contained in Section 39 of the Companies Act, 2013, as well as any other applicable provisions of the Act, and shall cause to be made the returns as to allotment provided for in Section 39 of the Companies Act, 2013 and/or as may be prescribed under the Act.	Restriction on Allotment and Return of Allotment
14	(1)	Where at any time, it is proposed to increase the subscribed capital of the Company by issue of further shares, such further shares shall be offered;	Further Issue of capital
		(a) to the persons who, at the date of the offer, are holders of the Equity Shares of the Company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions namely: (i) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined. Such notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue; (ii) 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 favour of any other person and the notice referred to in sub-clause (i) hereof shall contain a statement of this right, PROVIDED THAT the Directors may decline, without assigning any reason, to allot any shares to any person in	

		whose favour any member may renounce the shares offered to him; (iii) After the expiry of the time specified in the aforesaid notice, 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 of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the Company. (b) to the employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be prescribed	
	(2)	Notwithstanding anything contained in sub-clause (1) hereof, the further shares aforesaid may be offered to any persons, if a special resolution to that effect is passed by the Company in general meeting, whether or not those persons include the persons referred to in sub-clause (1) (a) hereof, either for cash or for a consideration other than cash in accordance with the provisions of Section 62 of the Companies Act, 2013 (and the rules made thereunder) and in accordance with applicable rules and regulations prescribed by SEBI in this regard from time to time.	
	(3)	Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or the terms of any loans raised by the Company to convert such debentures or loans into shares in the Company. PROVIDED that the terms of issue of such debentures or terms of such loan containing such an option have been approved before the issue of such debentures or the raising of such loan by a special resolution passed by the Company in a general meeting.	
	(4)	Notwithstanding anything contained in sub-clause (3) above, where any debentures have been issued or loan has been obtained from any Government by the Company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion. Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to the Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.	
	(5)	In determining the terms and conditions of conversion under sub-clause (4), the Government shall have due regard to the financial position of the Company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.	
	(6)	Where the Government has, by an order made under sub-	

		clause (4), directed that any debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the Tribunal under sub-clause (4) or where such appeal has been dismissed, the Memorandum of the Company shall, where such order has the effect of increasing the authorised share capital of the Company, be altered and the authorised share capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.	
15		Subject to the provisions of these Articles and of the Act, the shares 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 and at such time as they may from time to time think fit subject to the sanction of the Company in a general meeting to give any person the option to call for or be allotted shares of any class of the Company either at a premium or at par or at a discount subject to the provisions of Sections 52, 53,54 and 58 of the Companies Act, 2013 and for such time and for such consideration as the Directors think fit.	Share under control of Directors
16	(1)	Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to an account, to be called "THE SECURITIES PREMIUM ACCOUNT" and the provisions of the Companies Act, 2013 relating to reduction of share capital of the Company shall, except as provided in this Article, apply as if the securities premium account were the paid-up share capital of the Company.	Application of premium received on shares
	(2)	Notwithstanding anything contained in clause (1) above but subject to the provisions of Section 52 of the Companies Act, 2013, the securities premium account may be applied by the Company- (a) towards the issue of unissued shares of the Company to the members of the Company as fully paid bonus; (b) in writing off the preliminary expenses of the Company; (c) in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company; (d) in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company; or (e) for the purchase of its own shares or other securities under Section 68 of the Companies Act, 2013.	
17		In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 15 and 16, the Company in a General Meeting may, subject to the provisions of Section 62 of the Companies Act, 2013 and 108A of the Companies Act, 1956, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) be offered to such persons	Power also to Company in General Meeting to issue shares

		(whether members or not) in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of Sections 52, 53 and 54 of the Companies Act, 2013) as such General Meeting shall determine and with full power to give any person whether a member or not the option to call for or be allotted shares of any class of the Company either at a premium or at par or at a discount (subject to compliance with the provisions of Sections 52, 53 and 54 of the Companies Act, 2013) such option being exercisable at such time and for such consideration as may be directed by such General Meeting may make any other provisions whatsoever for the issue, allotment or disposal of any such shares.	
18		Except as provided in Section 54 of the Companies Act, 2013, the Company shall not issue shares at a discount. Any share issued by the Company at a discounted price shall be void.	Shares at a discount
19		If by the conditions of any allotment of any share, the whole or any part of the amount or 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 to time shall be the registered holder of the shares or his legal representatives.	Installments on shares to be duly paid
20		Subject to the provisions of the Companies Act, 2013 and these Articles, the Board may allot and issue shares in the capital of the Company as payment of any property sold or transferred or for service rendered to the Company in the conduct of its business and any shares which may be so issued shall be deemed to be fully paid up shares.	The Board may issue shares as fully paid up
21		Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share 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 name is on the Register shall, for the purpose of these Articles, be a member.	Acceptance of shares
22		The money (if any) which the Board of Directors 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, shall immediately on the inscription of the name of the allottee in the register of members as 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.	Deposit and Call etc. to be a debt payable
23		Every member, or his heirs, executors or administrators to the extent of his assets which come to their hands shall be liable to pay to the Company the portion of the capital represented by his share or shares which may, for the time being remain unpaid thereon in such amounts, at such time or times and in such manner as the Board of Directors shall from time to time require or fix for the payment thereof.	Liability of Members
24	(a)	Every member or allottee of shares shall be entitled, without payment, to receive one Certificate for all the shares of the same class registered in his name. Every Share Certificate shall specify the number and the distinctive number(s) of the	Share Certificates

		shares in respect of which it was issued and the amount paid up thereon. Such certificate shall be issued only in pursuance of a Resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in case of issues against letters of acceptance or of renunciation or in case of issue of bonus shares. PROVIDED THAT if the letter of allotment is lost or destroyed the Board may impose such reasonable terms, if any, as it thinks fit, as to evidence and indemnity and the payment of out-of-pocket expenses incurred by the Company in investigating the evidence. The certificate of title to shares shall be issued under the Seal of the Company and shall be signed in conformity with the provisions of the Companies (Share Capital and Debenture) Rules, 2014 or any statutory modification or re-enactment thereof for the time being in force. Printing of blank forms to be used for issue of Share Certificates and maintenance of books and documents relating to issue of Share Certificates shall be in accordance with the provisions of aforesaid rules. Such certificates of title to shares shall be completed and kept ready for delivery within such time frame as may be prescribed in this regard after the allotment.	
	(b)	Any two or more joint allottees or holders of shares shall, for the purpose of this Article, be treated as a single member and the certificate of any share, which may be the subject to joint ownership, may be delivered to any one of such joint owners on behalf of all of them.	
25		No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn, or old, decrepit, worn out, or where the cages on the reverse for recording transfers have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company. PROVIDED THAT no fee shall be charged for issue of new certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised. PROVIDED FURTHER that in case of any Share Certificate being lost or destroyed the Company may issue a duplicate certificate in place of the Certificate so lost or destroyed on such terms as to evidence, out-of-pocket expenses in regard to investigation of such evidence and indemnity as the Board may determine.	
25A		Notwithstanding anything contained in Article 25, the Board of Directors may refuse applications for subdivision of Share Certificate into denominations of less than the marketable lot for the time being in force, except when such sub-division is required to be made to comply with a statutory order or an order of a competent court of law or to remedy a genuine mistake of fact or law.	Sub-division of shares

		PROVIDED THAT the Directors may, at their discretion, in case of genuine needs, allow sub-division of share certificates in denomination of less than the marketable lots, and may, if necessary, require production of suitable documentary evidence therefore.	
26		If any share stands in the names of two or more persons the first named in the Register shall, as regards receipts of dividends or bonus or service of notice or any other matter connected with the Company, except voting at meetings and the transfer of the shares, be deemed the sole holder thereof but the joint holders of a share shall severally as well as jointly be liable for the payment of all installments and calls due in respect of such share, and for all incidents thereof according to the provisions of the Act.	The first named joint holders deemed sole holder
27		Except as ordered by a court / Tribunal of competent jurisdiction or as by law required, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or whose name appears as the beneficial owner of shares in the records of the Depository, as the beneficial owner thereof and accordingly shall not be bound to recognise any benami trust, or equity or equitable, contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any shares in the joint names of any two or more persons or the survivor or survivors of them.	Company not bound to recognise any interest in share other than of Registered Holder
27A		Notwithstanding anything contained hereinabove, a Member has a right to nominate one or more persons as his/her nominee(s) to be entitled to the rights and privileges as may be permitted under the law of such a member in the event of death of the said member/s subject to the provisions of the Companies Act, 2013, and other applicable laws.	Nomination
28		When any declaration is filed with the Company under the provisions of Section 89 of the Companies Act, 2013, (i) by any holder of shares who does not hold beneficial interest in such share specifying the particulars of the person holding beneficial interest in such shares, or (ii) by a person who holds or acquires a beneficial interest in any share of the Company specifying the nature of his interest, particulars of the person in whose name the shares stand registered in the books of the Company and such other particulars as may be prescribed, the Company, or (iii) by the person referred to in (i) and the beneficial owner referred to in (ii) where any change occurs in the beneficial interest of such shares, the Company shall make a note of such declaration in its concerned register 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 together with the prescribed fees for the same.	Declarations in respect of beneficial interest in any share
29		Save as provided in Section 67 of the Companies Act, 2013, the Company shall not have the power to buy its own shares unless the consequent reduction of share capital is effected under the provisions of the Companies Act, 2013. The	No purchase or giving of loans to purchase Company's shares

		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 share in the Company or in its holding Company.	
UNDERWRITING			
30		Subject to the provisions of Section 40 of the Companies Act, 2013, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures or debenture stock in the Company, or procuring, or agreeing to procure subscriptions (whether absolute or conditional) for any shares, debentures or debenture-stock of the Company, but so that the commission shall not exceed in the case of shares five per cent of the price at which the shares are issued and in the case of debentures two and a half percent of the price at which the debentures are issued. Such commission shall be paid either out of the proceeds of the issue or the profit of the Company or both. Subject to the provisions of the Act, any commission payable as aforesaid may be satisfied by payment of cash or by allotment of fully or partly paid shares or debentures as the case may be or partly in one way and partly in the other.	Commission may be Paid
31		Where the Company has paid any sum by way of commission in respect of any shares or debentures such statement thereof shall be made in the Annual Return as required by Section 92 of the Companies Act, 2013.	Commission to be included in the Annual Return
INTEREST OUT OF CAPITAL			
32		Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings, or the provisions of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid up, for the period, at the rate and subject to the conditions and restrictions provided by the Act, and may charge the same to Capital as part of the cost of construction of the work or building or the provisions of the plant.	Interest out of Capital
CALLS			
33		Subject to the provisions of Section 49 of the Companies Act, 2013, the Board of Directors may, from time to time, by a Resolution passed at a meeting (and not by a Circular Resolution), make such calls as it thinks fit upon the members in respect of all monies unpaid on the shares held by them (whether on account of the nominal value of the shares or by way of premium), and not by conditions of allotment thereof made payable at fixed time. Each member shall pay the amount of every call so made on him to the person or persons and at the time and place appointed by the Board of Directors. A call may be made payable by	Directors may make Calls

		installments. A call may be postponed or revoked as the Board may determine.	
34		At least fourteen days' notice in writing of any call shall be given by the Company specifying the time or times and place of payment, and the person or persons to whom such call shall be paid.	Notice of Calls
35		A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board of Directors and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Board of Directors.	Call to date from Resolution
36		The Board of Directors may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such times as to all or any of the members who on account of residence at a distance or other cause, the Board of Directors may deem fairly entitled to such extension; but no member shall be entitled to such extension as of right except as a matter of grace and favour.	Directors may extend Time
37		If by the terms of issue of any share or otherwise any amount is or becomes payable at any fixed time or by installments at fixed times (whether on account of the nominal amount of the shares or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	Amount payable at fixed time or by installments to be treated as calls
38		If the sum payable in respect of any call or installment be not paid on or before the day appointed for the payment thereof the holder for the time being or allottee of the share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at such rates as may be fixed by the Board of Directors from the day appointed for the payment thereof to the time of actual payment but the Directors may, in their absolute discretion, waive payment of such interest wholly or in part.	When interest on call or installment payable
39		On the trial or hearing of any action or suit brought by the Company against any member or his legal representatives for the recovery of any monies claimed to be due to the Company for any call in respect of his 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 is entered in the Register of Members as the holder or as one of the holders of the shares at or subsequent to the date at which the money sought to be recovered is alleged to have become due, on the shares in respect of which such money is sought to be recovered that the resolution making the call is duly recorded in the minute book and that notice of such call was duly given to the member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other	Evidence in actions by Company against shareholders

		matter whatsoever and the proof of the matters aforesaid shall be conclusive evidence of the debt.	
40		Neither a judgment nor a decree in favour of the Company for the calls or other monies due in respect of any shares nor the receipt by the Company of a portion of any money which shall, from time to time, be due from any member to the Company in respect of his share, 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 hereinafter provided.	Partial payment not to preclude forfeiture
41		The Board of Directors may, if it thinks fit, agree to and receive from any member willing to advance the same, all or any part of the amount due upon the shares held by him beyond the sums actually called for and upon the monies so paid in advance or so much thereof from time to time as exceeds the amount of the calls then made upon shares in respect of which such advances are made, the Board of Directors may pay or allow interest, at such rate not exceeding, unless the Company in general meeting shall otherwise direct, nine per cent per annum as the member paying the sum in advance and the Board of Directors agree upon. The Board of Directors may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to such members three months' notice in writing. The member paying any such sum in advance shall not be entitled to dividend or to participate in the profits of the Company or to voting rights in respect of the monies so paid by him until the same would, but for such payment, become presently payable. Provided however and notwithstanding the aforesaid and subject to applicable law, the Company may pay dividends in proportion to the amount paid up on each share.	Payment in anticipation of calls may carry interest
LIEN			
42		The Company shall have a first and paramount lien upon all shares (other than fully paid up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all monies (whether presently payable or not), called or payable at a fixed time in respect of such shares and no equitable interests in any such share shall be created except upon the footings and condition that this Article is to have full legal effect. Any such lien shall extend to all dividends from time to time declared in respect of shares. PROVIDED THAT the Board of Directors may, at any time, declare any share to be wholly or in part exempt from the provisions of this Article.	Company to have lien on shares
43		The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien for the purpose of enforcing the same. PROVIDED THAT no sale shall be made:- (a) unless a sum in respect of which the lien exists is presently payable; or	As to enforcing lien by sale

		(b) until the expiration of fourteen days after the notice in writing demanding payment of such part of the amount in respect of which the lien exists as in presently payable has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency. For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such shares and may authorise out of their members to execute a transfer thereof on behalf of and in the name of such members.	
44	(1)	To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.	Transfer of shares sold under lien
	(2)	The Purchaser shall be registered as the holder of the shares comprised in any such transfer.	
	(3)	The Purchaser shall not be bound to see to the application 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.	
45	(1)	The net proceeds of any such sale shall be received by the Company and applied in or towards such part of the amount in respect of which the lien exists as is presently payable; and	Application of proceeds of sale
	(2)	The residue, if any, shall be paid to the person entitled to the shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the share before the sale).	
FORFEITURE OF SHARES			
46		If any member fails to pay any call or any installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board of Directors may, at any time thereafter, during such time as the call for installment remains unpaid, give notice to him requiring him to pay the same 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.	If money payable on share not paid notice to be given to member
47		For the purpose of the provisions of these presents relating to forfeiture of shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such share on the day of allotment.	If call or installment not paid, notice may be given
48		The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or installment and such interest thereon at such rate and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.	Form of notice
49		If the requirements of any such notice as aforesaid are not complied with, every or any share in respect of which such notice has been given, may at any time thereafter, before payment of all calls or installments, interest and expenses due in respect thereof, be forfeited by a Resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other monies payable in respect of the forfeited shares and not actually paid before the	If default of payment, shares to be forfeited

		forfeiture.	
50		When any share shall have so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Member, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.	Notice of forfeiture to a member
51		Any share 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 Board of Directors shall think fit. The Board may decide to cancel such shares.	Forfeited share to be the property of the Company and may be sold etc.
52		Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding twelve per cent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such monies or any part thereof, if it thinks fit, but shall not be under any obligation so to do.	Member still liable to pay money owing at the time of forfeiture and interest
53		The forfeiture of a share shall involve extinction at the time of the forfeiture, of all interest in and all claims and demands against the Company in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	Effect of forfeiture
54		The Board of Directors may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.	Power to annul Forfeiture
55	(1)	A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or Secretary of the Company, and that a share in the Company has been duly forfeited in accordance with these Articles, 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;	Validity of forfeiture
	(2)	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;	
	(3)	The person to whom such share is sold, re-allotted or disposed off shall thereupon be registered as the holder of the shares;	
	(4)	Any such purchaser or allottee shall not (unless by express agreement) be liable to pay any calls, amounts, installments, interest and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interest or bonuses	

		accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment;	
	(5)	Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the share.	
56		The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.	Provision of these Articles as to forfeiture to apply in case of nonpayment of any sum
57		Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the Certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in respect of the said shares to the persons entitled thereto.	Cancellation of share certificates in respect of forfeited shares
58		The Directors may, subject to the provisions of the Companies Act, 2013, accept a surrender of any share from or for any member desirous of surrendering on such terms as they think fit.	Surrender of shares
TRANSFER AND TRANSMISSION OF SHARES			
59		The Company shall keep a "Register of Transfers" and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any share and debenture held in material form.	Register of Transfers
60		In the case of transfer and transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.	Transfer and Transmission of Shares and Securities held in electronic form
60A		The instrument of transfer of any share shall be in the prescribed form and in accordance with the requirements of Section 56 of the Companies Act, 2013.	Form of Transfer
61	(1)	An application for the registration and transfer of the shares in the Company may be made either by the transferor or the transferee.	
	(2)	Whether the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	
	(3)	For the purpose of sub-clause (2), above, notice to the transferee shall be deemed to have been duly given if it is despatched 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 in the ordinary course of post.	
62		Every such instrument of transfer duly stamped shall be executed by or on behalf of both the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such shares until the name of the transferee shall have been entered in the Register of Members in respect thereof.	To be executed by transferor and transferee
63		A transfer of a share 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 to the instrument of transfer.	Transfer by legal Representative
64		The Board of Directors may, after giving not less than seven days' previous notice by advertisement as required by Section 91 of the Companies Act, 2013 or such lesser period as may be specified by the Securities Exchange Board of India close the Transfer Books, the Register of Members or the 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 as it may seem expedient to the Board.	Transfer books when Closed
65	(a)	Subject to the provisions of Sections 58 of the Companies Act, 2013, or any statutory modification thereof for the time being in force, the Directors may, at any time, in their own absolute and uncontrolled discretion decline to register or acknowledge any transfer of any share for sufficient cause and in particular may so decline in any case in which the Company has a lien upon the shares desired to be transferred or any call or installment regarding any of them remains unpaid. The registration of a transfer shall be conclusive evidence of the approval of the Directors of the transferee. 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 in a lien on shares.	Directors may refuse to register transfers
	(b)	No share shall in any circumstances be transferred to any minor, insolvent or person of unsound mind, unless represented by a guardian.	
66		If the Company refuses to register the transfer of any securities or transmission of any right therein, the Company shall within thirty days from the date on which the instrument of transfer or intimation of transmission was lodged with the Company send notice of refusal along with sufficient cause to the transferee and the transferor or to the person giving intimation of the transmission, as the case may be, and thereupon the provisions of Section 58 of the Companies Act, 2013, or any statutory modification thereof for the time being in force shall apply.	Notice of refusal to be given to transferor and transferee
67		In case of the death of any one or more persons named in the Register of Members as the joint holders of any share, the survivor or survivors shall be the only persons recognised by	Death of one or more joint-holders of

		the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.	shares
68		Except where a deceased member had made a nomination in respect of the shares held (in which case such shares shall be dealt with in the manner prescribed by the Act and the Rules thereunder), the executors or administrators of a deceased member or the holder of a succession certificate or the legal representatives in respect of the shares of a deceased member (not being one of two or more joint holders) shall be the only persons recognised by the Company as having any title to the shares registered in the names of such member, and the Company shall not be bound to recognise such executors or administrators or holders of a succession certificate of the legal representative unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration, or Succession Certificate as the case may be, from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register under Article 71 the name of any person who claims to be absolutely entitled to the shares standing in the name of the deceased member, as a member.	Titles to shares of deceased member
69		Subject to the provisions of Articles 68 and 69 any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by and lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board of Directors (which it shall not be under obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under these Articles, or of his title, as the Board of Directors shall require and upon giving such indemnity as the Directors shall require, either be registered as a member in respect of such shares or elect to have some person nominated by him and approved by the Board of 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 favour of his nominee as instrument of transfer in accordance with the provision herein contained, and until he does so, he shall not be freed from any liability in respect of such shares. This clause is herein referred to as "THE TRANSMISSION CLAUSE".	Registration of persons entitled to shares otherwise than by transfer (Transmission Clause)
70		Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any share or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	Refusal to register Nominee
71		The Company shall be entitled to decline to register more	Directors entitled to

		than four persons as the holders of any share.	refuse to register more than four joint holders
72		A person entitled to a share by transmission shall subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive and may give a discharge for any dividends or other monies payable in respect of the share.	Persons entitled may receive dividend without being registered as member
73		Prior to the registration of a transfer, the certificate or certificates of the share or shares to be transferred, and if no such certificate is in existence, the Letter of Allotment of the shares, must be delivered to the Company along with (save as provided in Section 56 of the Act) a properly stamped and executed instrument of transfer, with the date of presentation of the instrument to the proper authorities, duly endorsed thereon.	Conditions of registration of transfer
74		No fee shall be charged for registration of transfer, grant of Probate, Succession Certificate and Letters of Administration, Certificates of Death or Marriage, Power of Attorney or similar other documents.	No fee on transfer or Transmission
75		The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof as shown or appearing in the register of members to the prejudice of 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, or 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 give 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 or the Company, but the Company shall nevertheless, be at liberty to regard and attend to any such notice, and give effect thereto if the Board of Directors shall so think fit.	The Company not liable for disregard of a notice prohibiting registration of a transfer
COPIES OF MEMORANDUM AND ARTICLES OF ASSOCIATION TO BE SENT TO MEMBERS			
76		The Company shall subject to the payment of the fee prescribed under Section 17 of the Companies Act, 2013, or its statutory modification for the time being in force, on being so required by a member, send to him with seven days of the requirement, a copy of each of the following documents as in force for the time being. (a) The Memorandum, (b) The Articles, and (c) Every agreement and every resolution referred to in sub-section (1) of Section 117 of the Companies Act, 2013, if and in so far as they have not been embodied in the Memorandum of the Company or these Articles.	Copies of Memorandum and Articles of Association to be sent by the Company to members

BORROWING POWERS			
77		Subject to the provisions of Sections 179 to 180 of the Companies Act, 2013 and of these Articles, the Board of Directors may, from time to time at its discretion, accept deposits from members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company from any source. PROVIDED HOWEVER, where the monies to be borrowed together with the monies already borrowed (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such money 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 valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.	Power to borrow
78		The payment or repayment of monies borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a Resolution passed at a meeting of the Board (and not by Circular Resolution) by the issue of debentures of Debenture-Stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its uncalled capital for the time being, and the debentures and the Debenture-Stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.	The payment or repayment of monies borrowed
79		Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing allotment of shares, attending (but not voting) at general meetings, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in general meeting.	Terms of issue of Debentures
80		If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Directors may, 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 favour such mortgage or security is executed.	Mortgage of uncalled Capital
81		The Board of Directors shall cause a proper register to be kept in accordance with the provisions of Section 85 of the Companies Act, 2013 of all mortgages, debentures and charges specifically affecting the property of the Company, and shall cause the requirements of Sections 71 and Sections 77 to 87 (both inclusive) of the Companies Act, 2013, in that behalf to be duly complied with, so far as they are to be	Register of charges etc. to be kept

		complied with by the Company. The Company shall comply with the provisions of Section 79 of the Companies Act, 2013 as regards modification of a charge and its registration with the Registrar.	
82		The Company shall, if at any time it issues debentures, keep a Register and Index of Debenture Holders in accordance with Section 88 of the Companies Act, 2013. The Company shall have the power to keep in any State or Country outside India a branch Register of Debenture-holders resident in the State or country.	Register and Index of Debenture-holders
MEETINGS OF MEMBERS			
83	(1)	The Company shall in each year hold, in addition to any other meetings, a general meeting as its Annual General Meeting in accordance with the provisions of Sections 96 and 129 of the Companies Act, 2013 and shall specify the meeting as such in the notice calling it, except in the case where the Registrar, has given an extension of time for holding any annual general meeting and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next. PROVIDED THAT the Registrar may, for any special reason, extend the time within which any annual general meeting shall be held, by a period not exceeding three months.	Annual General Meeting
	(2)	Every annual general meeting shall be called for any time during business hours, that is, between 9 a.m. and 6 p.m., on any day that is not a National Holiday (as defined under the Companies Act, 2013) and shall be held either at the registered office of the Company or at some other place within the city or town or village in which the registered office of the Company is situated for the time being.	
	(3)	Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any general meeting which he attends on any part of the business which concerns him as Auditor.	
84		At every annual general meeting of the Company there shall be laid on the table the Directors' Report and Audited Statement of Accounts, Auditors' Report (if not already incorporated in the Audited Statement of Accounts), the Proxy Register with Proxies, and the Register of Directors and Key Management Personnel maintained under Section 170 of the Companies Act, 2013.	Report, Statement and Registers to be laid before the annual general meeting
85		All general meetings other than annual general meeting shall be called Extra-Ordinary General Meeting.	Extra-Ordinary General Meeting
86	(1)	The Company shall comply with the provisions of Section 92 of the Companies Act, 2013 regarding the filing of Annual Return and as regards the annual return and certificates to be annexed thereto.	Annual Return
	(2)	The Register required to be kept and maintained by the Company under Section 88 of the Companies Act, 2013 and copies of the annual return filed under Sections 92 of the	Place of keeping & Inspection of registers & returns

		Companies Act, 2013, shall be kept at the registered office of the Company. PROVIDED THAT such registers or copies of return may, also be kept at any other place in India in which more than one-tenth of the total number of members entered in the register of members reside, if approved for this purpose by a Special Resolution passed in general meeting of the Company and the Registrar has been given a copy of the proposed Special Resolution in advance.	
	(3)	(a) The registers and their indices, except when they are closed under the provisions of the Act, and the copies of all the returns shall be open for inspection by any member, debenture holder or other security holder or beneficial owner, during the business hours (subject to such reasonable restrictions as the Company may impose) without fee and by any other person on payment of such fees as may be prescribed under the Act and the rules made thereunder. (b) Any such member, debenture-holder, other security holder or beneficial owner or any other person may take extracts from any register, or index or return without payment of any fee or require a copy of any such register or entries therein or return on payment of such fees as may be prescribed under the Act not exceeding ten rupees for each page. Such copy or entries or return shall be supplied within seven days of deposit of such fee.	Inspection
	(4)	The Company shall cause any copy required by any person under Clause (b) of sub-clause (3) to be sent to that person within a period of seven days of the deposit of such fees exclusive of non-working days, commencing on the day next after the day on which the requirement is received by the Company.	
87	(1)	Subject to the provisions of Section 111 of the Companies Act, 2013, the Directors shall on the requisition in writing of such number of members as required in Section 100 of the Companies Act,:- (a) give notice to the members of the Company of any resolution which may properly be moved and is intended to be moved at a meeting; (b) circulate to members, any statement with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.	Circulation of Members' Resolution
	(2)	Subject to the provisions of Section 100 of the Companies Act, 2013, the number of members necessary for a requisition under clause (1) hereof shall be such number or numbers who hold, on the date of receipt of the requisition, not less than one-tenth of the paid-up share capital of the Company as on that date carried the right of voting.	
	(3)	The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless : (a) a copy of a requisition signed by the requisitionists (or two or more copies which between them contain the signature of all the requisitionists) is deposited at the registered office of the Company-	

		(i) in the case of a requisition requiring notice of resolution, not less than six weeks before the meeting, (ii) in the case of any other requisition not less than two weeks before the meeting, and (b) there is deposited or tendered with the requisition a sum reasonably sufficient to meet the Company's expenses in giving effect thereto. PROVIDED that if after a copy of the requisition requiring notice of a resolution has been deposited at the registered office of the Company, an annual general meeting is called on a date within six weeks after such copy has been deposited, the copy, although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purpose thereof.	
	(4)	The Company shall not also be bound under this Article to circulate any statement, if, on the application either of the Company or of any other person who claims to be aggrieved, the Central Government by order declares that the rights conferred by this clause are being abused to secure needless publicity for defamatory matter.	
88		The Directors may, whenever they think fit convene an extraordinary general meeting and they shall on requisition of the members as hereinafter provided, call an extraordinary general meeting of the Company within the period specified below.	Extra-ordinary General Meeting by Board and by requisition
89		In case of requisition the following provisions shall have effect : (1) The requisition shall set out the matters for the consideration of which the meeting is to be called, and shall be signed by the requisitionists and sent to the registered office of the Company. (2) The number of members entitled to requisition an extraordinary general meeting shall be such number of members who hold at the date of the receipt of the requisition, not less than one-tenth of such of the paid up capital of the Company as on that date carries the right of voting. (3) If the Board does not, within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty-five days from the date of receipt of the requisition, the meeting may be called and held by the requisitionists themselves within a period of three months from the date of the requisition. (4) A meeting called under clause (3) by requisitionists shall be called and held in the same manner in which the meeting is called and held by the Board. (5) Any reasonable expenses incurred by the requisitionists in calling a meeting under sub-clause (3) shall be reimbursed to the requisitionists by the Company, and any sums so paid shall be deducted from any fee or other	Contents of requisition and number of requisitionists required and the conduct of meeting

		remuneration under Section 197 of the Companies Act, 2013 payable to such of the Directors who were in default in calling the meeting.	
90		A general meeting of the Company may be called by giving not less than clear twenty-one days' notice either in writing or through electronic mode in such manner as may be prescribed by the Act and the rules made thereunder. Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five per cent of the members entitled to vote at such meeting.	Length of notice of Meeting
91	(1)	Every notice of a meeting of the Company shall specify the place, date, day and hour of the meeting and shall contain a statement of the business to be transacted thereat.	Contents and manner of service of notice
	(2)	The notice of every meeting shall be given to: (a) every member of the Company, legal representative of any deceased member or the assignee of an insolvent member; (b) the Auditor or Auditors for the time being of the Company; and (c) every Director of the Company.	
	(3)	In every notice calling a meeting of the Company, there shall appear with reasonable prominence a statement that a member entitled to attend and vote at the meeting is entitled to appoint a proxy, or, where that is allowed, one or more proxies, to attend and vote instead of himself, and that a proxy need not be a member of the Company.	
92	(1)	(a) In the case of an annual general meeting, all business to be transacted at the meeting, shall be deemed special with the exception of business relating to: (i) The consideration of financial statements and the reports of the Board of Directors and Auditors; (ii) The declaration of any dividend; (iii) The appointment of Directors in the place of those retiring; and (iv) The appointment of, and the fixing of the remuneration of the Auditors (b) In the case of any other meeting, all business shall be deemed special;	Special and ordinary business and explanatory statement
	(2)	PROVIDED that where any item of special business to be transacted at a meeting of the Company relates to or affects any other Company, the extent of shareholding interest in that other Company of every promoter, Director, manager, if any, and of every other key managerial personnel of the Company shall, if the extent of such shareholding interest is not less than two per cent of the paid-up share capital of that Company, also be set out in the statement.	
	(3)	Where any item of business refers to any document which is to be considered by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.	
93		Any accidental omission to give any such notice as aforesaid to or the non-receipt thereof by any member or other person who is entitled to such notice for any meeting shall not	Omission to give notice not to invalidate a

		invalidate the proceedings of any such meeting.	resolution passed
94		No general meeting, annual or extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the meeting.	Notice of business to be given
95		The number of members prescribed under Section 103 of the Companies Act, 2013 and entitled to vote and present in person shall be a quorum for general meeting and no business shall be transacted at the general meeting unless the quorum requisite be present at the commencement of the meeting. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Companies Act, 2013. The President of India or the Governor of a State, if he is a member of the Company, shall be deemed to be personally present if he is represented in accordance with Section 112 of the Companies Act, 2013.	Quorum
96	(1)	If within half an hour from the time appointed for holding a meeting of the Company the quorum is not present, (a) 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; or (b) the meeting, if called by requisitionists in accordance with Section 100 of the Companies Act, 2013, shall stand cancelled. Provided that in case of an adjourned meeting or of a change of day, time or place of meeting under sub clause (a), the Company shall give not less than three days' notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the Company is situated.	Presence of quorum
	(2)	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 and may transact the business for which the meeting was called.	
97		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.	Resolution passed at adjourned meeting
98		The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting, or if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting, or shall decline to take the chair, the Directors present shall elect one of them as Chairman and if no Director be present or if the Directors present decline to take the chair, then the members present shall elect one of their members to be a Chairman. If a poll is demanded on the election of the Chairman it shall be taken forthwith in accordance with the provisions of the Act and the Chairman	Chairman of general Meeting

		elected on show of hands shall exercise all the powers of the Chairman under the said provisions. If some other person is elected as a result of the poll he shall be the Chairman for the rest of the meeting. The Chairman may, at the same time, be appointed as Managing Director or Deputy Managing Director or Whole Time Director or Chief Executive Officer of the Company.	
99		No business shall be discussed at any general meeting except the election of a Chairman whilst the chair is vacant.	Business confined to election of Chairman whilst chair vacant
100	(1)	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 from place to place.	Chairman may adjourn Meeting
	(2)	No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.	
101		At any general meeting, a resolution put to the vote of the meeting shall unless a poll is demanded under Section 109 of the Companies Act, 2013, or the voting is carried out electronically, be decided on a show of hands.	Voting to be by show of hands in the first instance
102		A declaration by the Chairman that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceeding of the Company shall be conclusive evidence of the fact of passing of such resolution, or otherwise, without proof of the number of proportion of votes in favour or against such resolution.	Chairman's declaration of result of voting on show of hands
103	(1)	Before or on the declaration of result of voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by the members present in person or by proxy, where allowed, and having not less than one-tenth of the total voting power or holding shares on which an aggregate sum of not less than five lakh rupees or such higher amount as may be prescribed has been paid-up.	Demand for poll
	(2)	The demand for a poll may be withdrawn at any time by the person or persons who made the demand.	
104		A poll demanded for adjournment of the meeting or appointment of Chairman of the meeting shall be taken forthwith. A poll demanded on any question other than adjournment of the meeting or appointment of a Chairman shall be taken at such time, not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the meeting may direct.	Time of taking poll
105		In the case of an equality of votes, the Chairman shall, both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a member.	Chairman's casting vote
106		Where a poll is to be taken, the Chairman of the meeting shall appoint one scrutineer to scrutinise the vote given on the poll and to report thereon to him. Subject to the provisions of Section 109 of the Companies Act, 2013, the	Scrutineers at poll

		Chairman of the meeting shall have power to regulate the manner in which the poll shall be taken and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.	
107		The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	Demand for poll not to prevent transaction of other business
108		Subject to the provisions of Section 110 of the Companies Act, 2013 and these Articles, and as may be applicable by law, the Company shall, in respect of such items of business as the Central Government may, by notification, declare to be transacted only by means of postal ballot; and may, in respect of any item of business, other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact by means of postal ballot, in such manner as may be prescribed, instead of transacting such business at a General Meeting.	Vote by Postal Ballot
109		A copy of each of every resolutions or agreement in respect of the following matters together with the explanatory statement under Section 102 of the Companies Act, 2013, if any, annexed to the notice calling the meeting in which such resolution is proposed, shall be filed with the Registrar within thirty days of the passing or making thereof in such a manner and with such fees as may be prescribed within the time specified under Section 403 of the Companies Act, 2013: (a) Every special resolution. (b) Every resolution which has been agreed to by all members of the Company, but which, if not so agreed to, would not have been effective for the purpose unless it had been passed as a special resolution. (c) Every resolution of the Board of Directors or agreement executed by the Company relating to the appointment, re-appointment or renewal of appointment or variation in the terms of appointment of a Managing Director. (d) Every resolution or agreement which has been agreed to by all the members of any class of shareholders but which, if not so agreed to, would not have been effective for the purpose unless it had been passed by a specified majority or otherwise in some particular manner; and every resolution or agreement which effectively binds all the members or any class of shareholders though not agreed to by all those members. (e) Every resolution passed by the Company according consent to the exercise by the Board of Directors of any of the powers under clause (a), and clause (c) of sub-section (1) of the Section 180 of the Companies Act, 2013. (f) Every resolution requiring the Company to be wound up voluntarily passed in pursuance of Section 304 of the Companies Act, 2013. (g) Every resolution passed in pursuance of sub-section (3) of Section 179 of the Companies Act, 2013; and	Registration of documents with the Registrar

		(h) Any other resolution or agreement as may be prescribed and placed in the public domain. Provided that the copy of every such resolution which has the effect of altering the Articles and the copy of every agreement referred to above shall be embodied in or annexed to, every copy of these Articles issued after the passing of the resolution or the making of the agreement.	
VOTES OF MEMBERS			
110		A member paying the whole or a part of the amount remaining unpaid on any share held by them although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the monies so paid by him until the same would but for such payment become presently payable.	Member paying money in advance not to be entitled to vote in respect thereof
111		No member shall exercise any voting rights in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.	Restriction on exercise of voting rights of members who have paid calls
112		Subject to the provisions of Section 43 and sub-section (2) of Section 50 of the Companies Act, 2013, every member of the Company holding any equity share capital shall have a right to vote on every resolution placed before the Company; and his voting rights on a poll shall be in proportion to his share of the paid-up equity share capital of the Company. Every member holding any preference share capital of the Company, shall, in respect of such capital, have the right to vote only on resolutions placed before the Company which directly affect the rights attached to his preference shares and any resolution for the winding up of the Company or for the repayment or reduction of its equity or preference share capital and his voting rights on a poll shall be in proportion to his share in the paid up preference share capital of the Company. Provided that the proportion of the voting rights of equity shareholders to the voting rights of the preference shareholders shall be in the same proportion as the paid-up capital in respect of the equity shares bears to the paid-up capital in respect of the preference shares: PROVIDED FURTHER that where the dividend in respect of a class of preference shares has not been paid for a period of two years or more, such class of preference shareholders shall have a right to vote on all the resolutions placed before the Company.	Number of votes to which member entitled
113		A member of unsound mind or in respect of whom order has been made by any Court having jurisdiction in lunacy, may vote whether on a show of hands or on a poll by his committee or other legal guardian and any such committee or guardian may on a poll, vote by proxy.	Vote of member of unsound mind
114		If there be joint registered holders of any shares any one of such persons may vote at any meeting personally or by an agent duly authorised under a Power of Attorney or by proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting, and, if more than one of such joint holders be present at any meeting either personally or by agent or by proxy, that one of the said persons so present who stands	Votes of joint members

		higher on the register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holder shall be entitled to be present at the meeting; provided always that a person present at any meeting personally shall be entitled to vote in preference to a person present by an agent duly authorised under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register in respect of such shares. Several executors or administrators or a deceased member in whose name shares stand shall for the purpose of these Articles be deemed joint holders thereof.	
115		A body corporate (whether a Company within the meaning of the Act or not) may,	Representation of body Corporate
		(a) if it is member of the Company by a resolution of its board of Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company, or at any meeting of any class of members of the Company;	
		(b) if it is a creditor, (including a holder of debentures of the Company) by a resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of the Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.	
	(2)	A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and power (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual member, creditor or holder of debentures of the Company.	
116		Where the President of India or the Governor of a State is a member of the Company, the President or, as the case may be, the Governor 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 and such a person shall be deemed to be a member of the Company and shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a member of the Company.	Representation of President and Governors in meetings
117		Any person entitled under the Transmission Clause to transfer any shares may vote at any general meeting in respect thereof in the same manner as if he was the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his rights to transfer such shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.	Votes in respect of deceased or insolvent members

118		Subject to the provisions of these Articles vote may be given either personally or by proxy.	Voting in person or by Proxy
119		On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy, or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	Rights of members to Use his votes differently
120		Subject to the provisions of the Act and the rules made thereunder, any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself Provided that a proxy so appointed shall not have the right to speak at the meeting and shall not be entitled to vote except on a poll. PROVIDED FURTHER that a person appointed as proxy shall act on behalf of such number of members not exceeding fifty and such number of shares as may be prescribed. Every notice convening a meeting of the Company shall state that a member entitled to attend and vote is entitled to appoint one or more proxies and that the proxy need not be a member.	Proxies
121		An instrument of proxy may appoint a proxy either for the purposes of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purposes of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.	Proxy either for specified meeting or for a period
122		No member present only by proxy shall be entitled to vote on a show of hands.	No proxy except for the corporation to vote on a show of hands
123		The instrument appointing a proxy and the Power of Attorney or other authority (if any) under which it is signed or a notarially certified copy of that Power of Attorney or authority, shall be deposited at the office forty-eight hours before the time for holding the meetings at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.	Deposit of instrument of appointment
124		Every instrument of proxy whether for specified meeting or otherwise shall, as nearly as circumstances will admit, be in the form set out in the Companies (Management and Administration) Rules, 2014 (or any corresponding amendment or modification thereof that may be prescribed).	Form of proxy
125		Every member entitled to vote at a meeting of the Company according to the provisions of these Articles on any resolution to be moved thereat, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting, and ending with the conclusion of the meeting, to inspect proxies lodged, at any time during the business hours of the Company provided not	Inspection of proxies

		less than three days' notice in writing of the intention so as to inspect is given to the Company.	
126		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 revocation of the proxy or of any Power of Attorney or authority under which such proxy was signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the office before the commencement of the meeting, or adjourned meeting at which the proxy is used.	Validity of votes given by proxy notwithstanding revocation of authority
127		No objection shall me made to the qualification of any vote or to the validity of the vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the Meeting.	Time for objections to Vote
128		The Chairman of any meeting shall be sole judge of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.	Chairman of any meeting to be the Judge of validity of any vote
129		If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If embracing other objects, copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company.	Custody of instrument
DIRECTORS			
130		Until otherwise determined by a general meeting of the Company and subject to the provisions of Section 149 and 151 of the Companies Act, 2013, the number of Directors shall not be less than 3 and not more than 15 and the manner of constituting the Board shall be as prescribed under the Act and as may be directed by the Securities and Exchange Board of India.	Number of Directors
131		The First Directors of the Company are : 1. Sanjay S. Shah — Director 2. Rita S. Shah — Director	Directors
132		Any Trust Deed for securing and covering the issue of debentures or debenture stocks of the Company, may provide for the appointment, from time to time, by the Trustees thereof or by the holders of debentures or debenture stocks, of some person to be a Director of the Company for and on behalf of the debenture holders for such period for which the debentures or any of them shall remain outstanding and may empower such Trustees or holder of debentures or debenture stocks, from time to time, to remove and reappoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time	Debenture Directors

		being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provision as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.	
133		Notwithstanding anything to the contrary contained in these Articles, so long as any monies remain owing by the Company to (i) the Life Insurance Corporation of India (LIC), (ii) the Infrastructure Development Finance Company Limited, (iii) specified Company referred to in the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002, (iv) institutions notified by the Central Government under sub-section (2) of Section 4A of the Companies Act, 1956, (v) such other institutions as may be notified by the Central Government in consultation with the Reserve Bank of India, or (vi) any other bank or entity providing financing facilities to the Company (each of the above is hereinafter in this Article referred to as "the Corporation") out of any loans/debentures assistance granted by them to the Company or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, whole-time or non-whole-time (which Director 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 the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation 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 monies remain owing by the Company to the Corporation or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall, ipso facto, vacate such office immediately the monies owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold Debentures/Shares in the Company or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the	Nominee Directors

		Corporation. The Nominee Director/s appointed under this Article shall 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. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and expenses to 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 Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be, to such Nominee Director/s. Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees, in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Provided further that in the event of any remuneration payable to the Nominee Director/s, by way of commission, salary or perquisites (other than sitting fees and reimbursement of actual expenses incurred by them in attending to Company's work) such remuneration shall be paid only with the prior approval of the Central Government under Section 309/310 of the Companies Act, 1956. Provided further that in the event of the Nominee Director/s being appointed as Managing Director/Whole Time Director/s, such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to a Whole Time Director in the management of the affairs of the Company. Such Whole Time Directors shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation. Provided further that the appointment of Nominee Director/s as Managing/Whole Time Director/s, as aforesaid, is subject to the provisions of Sections 203 and 197 of the Companies Act, 2013 and any other applicable provisions of the Act and the rules made thereunder.	
134		In connection with any collaboration arrangement with any Company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice, the Directors may authorise such Company, corporation, firm or person (hereinafter referred to as "Collaborator") to appoint from time to time any person as a Director of the Company (hereinafter referred to as "Special Director") and subject to the provisions of the Act, may agree that such	Special Directors

		Special Directors shall not be liable to retire by rotation so however that Special Director shall hold office so long as such collaboration arrangement remains in force. The Collaborator may at any time and from time to time remove such Special Director appointed by it and may at any time after such removal and also in the case of death or resignation of the person so appointed, at any time nominate any other person as a Special Director in his place and such nomination or removal shall be made in writing signed by the collaborator, his authorised representative and shall be delivered to the Company at its registered office. It is clarified that every collaborator entitled to appoint a Director under this Article may appoint one such person as a Director and so that if more than one collaborator is so entitled there may be at any time as many Special Directors as the number of Collaborators eligible to make the appointment.	
135		The provisions of Articles 132, 133, 134 and 135 are subject to the provisions of Section 152 of the Companies Act, 2013, and the number of such Directors appointed under Articles 133, 134, 135 and 170 shall not exceed in the aggregate one-third of the total number of Directors for the time being in office. However, the Independent Director appointed under Section 152 of the Companies Act, 2013 will not be considered for the purpose of calculating the total number of Directors liable for retirement by rotation and term of such Independent Director shall be as provided under Section 152 of the Companies Act, 2013.	Limit on number of retiring Directors
136		The Board may appoint a person, not being a person holding any alternate Directorship for any other Director in the Company (hereinafter called the Original Director) to act as an Alternate Director for the Original Director during his absence for a period of not less than three months from India. Provided that no person shall be appointed as an Alternate Director for an Independent Director unless he is qualified to be appointed as an independent Director under the provisions of the Act. Every such Alternate Director, shall subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meeting of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director appointed under this Article shall vacate office as and when the Original Director is determined before he returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	Appointment of Alternate Director
137		The Directors shall have power at anytime and from time to time to appoint any qualified person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall retain his office only upto the date upto which the Director in	Directors may fill Vacancies

		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.	
138		The Directors shall also have power at any time and from time to time to appoint any other qualified person, other than a person who fails to get appointed as a Director in a general meeting of the Company, to be an Additional Director who shall hold office only up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier.	Additional Director
139		A Director shall not be required to hold any qualification shares.	Qualification of Directors
140		The remuneration payable to a non-whole-time-Director for attending each meeting of the Board or a Committee thereof shall be such sum as may be fixed by the Board of Directors not exceeding the maximum as may be prescribed by the Act (and the rules made thereunder), SEBI, or by the Central Government. The Directors, subject to the sanction of the Central Government (if any required), may be paid such further remuneration as the Company in general meeting shall, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and manner as the Board may from time to time determine; and in default of such determination shall be divided among the Directors equally.	Remuneration of Directors
141		Subject to the provisions of Sections 197 and 188 of the Companies Act, 2013 and other applicable provisions of the Act and the rules made thereunder, if any Director, being willing shall be called upon to perform extra services (which expression shall include work done by a Director as a member of any committee formed by the Directors or in relation to signing share certificates) or to make special exertions in going or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company shall remunerate the Director so doing either by fixed sum or otherwise as may be determined by the Directors, and such remuneration may be, either in addition to or in substitution for his share in the remuneration above provided.	Extra remuneration to Directors for special Work
142		The Board of Directors may subject to the limitations provided by the Act allow and pay to any Directors who attends a meeting at a place other than his usual place or residence for the purpose of attending a meeting, such sum as the Board may consider fair compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	Travelling expenses incurred by Directors on Company's business
143		The Continuing Directors may act notwithstanding any vacancy in their body, but if and as long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board of Directors, the Continuing Directors may act for the purpose of filling vacancies to increase the number of Directors to that fixed for the quorum or for	Directors may act notwithstanding vacancy

		summoning a general meeting of the Company, but for no other purpose.	
144	(1)	Subject to the provisions of Section 164 and 165 of the Companies Act, 2013, a person shall not be capable of being appointed Director of the Company, if – (a) he is of unsound mind and stands so declared by a Court of competent jurisdiction ; (b) he is an undischarged insolvent; (c) he has applied to be adjudged an insolvent and his application is pending; (d) he has been 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 date of 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 of the Company. (e) he has not paid any call in respect of shares of the Company held by him, whether alone or jointly with others, and six months have elapsed from the last day fixed for the payment of the call; (f) he has been convicted of the offence dealing with related party transactions under Section 188 of the Companies Act, 2013 at any time during the last preceding five years; or (g) he has not complied with sub-section (3) of Section 152 of the Companies Act, 2013.	Disqualification for appointment of Directors
	(2)	No person who is or has been a Director of a Company, where the Company— (a) has not filed financial statements or annual returns for any continuous period of three financial years; or (b) has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more, shall be eligible to be re-appointed as a Director of that Company or appointed in other Company for a period of five years from the date on which the said Company fails to do so.	
145	(1)	Subject to the provisions of Section 167 of the Companies Act, 2013, the office of a Director shall become vacant if : (a) he incurs any of the disqualifications specified in Section 164 of the Companies Act, 2013; (b) 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; (c) he acts in contravention of the provisions of Section 184 of the Companies Act, 2013, relating to entering into contracts or arrangements in which he is directly or indirectly interested; (d) he fails to disclose his interest in any contract or	Vacation of office by Directors

		arrangement in which he is directly or indirectly interested, in contravention of the provisions of Section 184 of the Companies Act, 2013; (e) he becomes disqualified by an order of a court or the Tribunal; (f) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months: Provided that the office shall be vacated by the Director even if he has filed an appeal against the order of such court; (g) he is removed in pursuance of the provisions of the Act; (h) he, having been appointed a Director by virtue of his holding any office or other employment in the holding, subsidiary or associate Company, ceases to hold such office or other employment in that Company.	
146	(a)	The Company may (subject to the provisions of Section 169 and other applicable provisions of the Companies Act, 2013 and these Articles) by ordinary resolution remove any Director before the expiry of his period of office. Provided that nothing contained in this sub-clause shall apply where the Company has availed itself of the option given to it under Section 163 of the Companies Act, 2013, to appoint not less than two-thirds of the total number of Directors according to the principle of proportional representation.	Removal of Directors
	(b)	Special notice 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)	Where 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 and requests its notification to members of the Company, the Company shall, if the time permits it to do so - (a) in the notice of the resolution given to the members of the Company, state the fact of the representations having been made, and (b) send a copy of the representations to every member of the Company to whom notice of the meeting is sent (before or after the receipt of the representations by the Company) and if a copy of the 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 heard orally) require that the representations shall be read out at the meeting: Provided that copies of the representations need not be sent or read out at the meeting if on the application either of the Company or of any other person who claims to be aggrieved,	

		the Tribunal is satisfied that the rights conferred by this sub-clause are being abused to secure needless publicity for defamatory matter, and the Tribunal may order the Company's costs on the application to be paid in whole or in part by the Director notwithstanding that he is not a party to it.	
	(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 be filled by the appointment of another Director in his stead at the meeting at which he is removed; Provided special notice of the intended appointment has been given. A Director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed as aforesaid.	
	(f)	If the vacancy is not filled under sub-clause (e), it may be filled as a casual vacancy in accordance with the provisions of the Act.	
	(g)	A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.	
	(h)	Nothing contained in this Article shall be taken:	
		i) as depriving a person removed hereunder of any compensation or damages payable to him in respect of the termination of his appointment as Director as per the terms of contract or terms of his appointment as Director, or of any other appointment terminating with that as Director; or ii) as derogating from any power to remove a Director under the provisions of the Act.	
147	(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 or interest at a meeting of the Board of Directors, in the manner provided in Section 184 of the Companies Act, 2013.	Disclosure of Director's Interest
	(2)	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—	
		(i) with a body corporate in which such Director or such Director in association with any other Director, holds more than two per cent of the shareholding of that body corporate, or is a promoter, manager, chief executive officer of that body corporate; or (ii) with a firm or other entity in which, such Director is a partner, owner or member, as the case may be, shall disclose the nature of his concern or interest at the meeting of the Board in which the contract or arrangement is discussed and shall not participate in such meeting: Provided that where any Director who is not so concerned or interested at the time of entering into such contract or arrangement, he shall, if he becomes concerned or interested	

		after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of the Board held after he becomes so concerned or interested.	
	(3)	Nothing in this Article shall – (a) be taken to prejudice the operation of any rule of law restricting a Director of the Company from having any concern or interest in any contract or arrangement with the Company; (b) apply to any contract or arrangement entered into or to be entered into between the Company and any other Company where any one or more of the Directors of the Company together holds or hold not more than two percent of the paid up share capital in other Company.	
148	(1)	Except with the consent of the Board of Directors of the Company (or the Audit Committee) given by a resolution at a meeting of the Board and subject to such conditions as may be prescribed by the Company, a Company shall not enter into any contract or arrangement with a related party with respect to, (a) sale, purchase or supply of any goods or materials; (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; and (g) underwriting the subscription of any securities or derivatives thereof, of the Company: Notwithstanding the provisions of this sub-clause (1) of this Article, where prescribed, the Company shall enter into such contracts and / or arrangements only with the prior approval of the members of the Company by a special resolution. However, no member of the Company shall vote on such special resolution, to approve any contract or arrangement which may be entered into by the Company, if such member is a related party: It is clarified that this sub-clause shall not apply to 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.	Board resolution necessary for certain contracts
	(2)	Every contract or arrangement entered into under sub-clause (1) shall be referred to in the Board's report to the shareholders along with the justification for entering into such contract or arrangement.	
149		If the Company – (a) enters into a contract for the appointment of a manager or a Managing Director of the Company in which contract any Director of the Company is in any way directly or indirectly concerned or interested, or	Disclosure to the members of Director's interest in contract in appointing manager

		(b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 302 of the Companies Act, 1956 or other applicable provisions of law shall be complied with.	
150		Subject to the provisions of Section 185 of the Companies Act, 2013, the Company shall not, directly or indirectly make any loan 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 a loan taken by him or such other person.	Loans to Directors etc.
151		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 under the same management as provided in Section 186 of the Companies Act, 2013.	Loans etc. to Companies
152		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, it shall be void;	Interested Director not to participate or to vote In Board's proceedings.
ROTATION & APPOINTMENT OF DIRECTORS			
153		A Director may be or become a Director of any Company or in 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 Companies Act, 2013 (and the rules made thereunder) may be applicable.	Directors may be Directors of Companies promoted by the Company
154		Not less than two-thirds of the total number of Directors shall (a) be persons whose period of the office is liable to determination by retirement of Directors by rotation and (b) save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting.	Rotation of Directors
155		Subject to the provisions of Section 284(5) of the Companies Act, 1956 or Section 169(5) and 169 (6) of the Companies Act, 2013, at every annual general meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three the number nearest to one-third, shall retire from office. The Debenture Directors, Corporation Directors, Special Directors, or Managing Directors, 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. In these Articles a "Retiring Director" means a Director retiring by rotation.	Retirement of Directors
156		The Directors who retire by rotation under Article 156 at every annual general meeting shall be those who have been longest in office since their last appointment, but as between those who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement	Ascertainment of Directors retiring by rotation and filling of vacancies

		amongst themselves, be determined by lot.	
157		A retiring Director shall be eligible for the re-appointment.	Eligibility for re-election
158		Subject to the provisions of the Act, the Company at the annual general meeting at which a Director retires in manner aforesaid may fill up the vacancy by appointing the retiring Director or some other person thereto.	Company to fill Vacancies
159	(a)	If the place of retiring Director is not so filled up and the 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 public holiday till the next succeeding day which is not a public holiday, at the same time and place.	Provisions in default of appointment
	(b)	If at the adjourned meeting also, the place of the retiring Director is not filled up and that 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 – i) at the meeting or the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost; ii) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed; iii) he is not qualified or is disqualified for appointment; or iv) a resolution, whether special or ordinary, is required for his appointment or re-appointment in virtue of any provisions of the Act,	
160		Subject to the provisions of Sections 149 and 152 of the Companies Act, 2013, the Company may, by special resolution, from time to time, increase or reduce the number of Directors and may prescribe or alter qualifications.	Company may increase or reduce the number of Directors or remove any Director
161	(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.	Appointment of Directors to be voted Individually
	(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 where a resolution so moved is passed, no provision for the automatic re-appointment of retiring Director in default of another appointment as hereinbefore 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.	
162	(1)	Subject to the provisions of the Act, a person, not being a Retiring Director in terms of Section 152 of the Companies Act, 2013, shall be eligible for appointment to the office of Director at any general meeting if he or some other member	Notice of candidature for office of Director

		intending to propose him has, at least fourteen days before the meeting, left at the registered office of the Company a special 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 the deposit of Rupees one lakh or such higher amount as may be prescribed which shall be refunded to such person or as the case may be, to the member, if the person succeeds in getting elected as a Director or secures more than 25% of the total valid votes cast either by way of show of hands or on a poll on such resolution.	except in certain cases
	(2)	The Company shall inform its members of the candidature of the person for the office of Director in such manner as may be prescribed.	
	(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 Companies Act, 2013, 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 161 of the Companies Act, 2013, appointed as a Director or re-appointed as an Additional or Alternate Director immediately on the expiry of his 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.	
163		The Company shall keep at its registered office a Register containing the particulars of its Directors and key managerial personnel as specified in Section 170 of the Act, 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.	Register of Directors etc. and notification of change to Registrar
MANAGING DIRECTOR, WHOLE TIME DIRECTOR			
164		Subject to the provisions of Section 196, 203 and other applicable provision of the Companies Act, 2013, and these Articles, the Directors shall have power to appoint or re-appointment any person to be Managing Director, or Whole-Time Director for a term not exceeding five years at a time Provided that no re-appointment shall be made earlier than one year before the expiry of his term. Such a Managing Director can also act as chairperson of the Company.	Board may appoint Managing Director or Managing Director(s) or Whole Time Directors
165		Subject to the provisions of the Act and these Articles, the Managing Director, or the Whole Time Director shall not, while he continues to hold that office, be subject to retirement by rotation under Article 156 but he shall be subject to the provisions of any contract between him and the Company, be subject to the same provisions as the	What provisions they will be subject to

		resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be a Managing Director or Whole Time Director if he ceases to hold the office of Director from any cause provided that if at any time the number of Directors (including Managing Director or Whole Time Directors) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being, then such of the Managing Director or Whole Time Director or two or more of them as the Directors may from time to time determine shall be liable to retirement by rotation in to the intent that the Directors so liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being.	
166		The remuneration of the Managing Director, Whole Time Director, or Manager shall (subject to Sections 309 to 311 and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors from time to time and may be by way of fixed salary and/or perquisites or commission on profits of the Company or by participation in such profits, or by fee for such meeting of the Board or by all these modes or any other mode not expressly prohibited by the Act.	Remuneration of Managing or Whole Time Director(s)
167		Subject to the superintendence, control and direction of the Board the day to day management of the Company shall be in the hands of the Managing Director(s) and/or Whole Time Director(s) appointed under Article 166 with power to the Board to distribute such day to day management functions among such Director(s) in any manner as deemed fit by the Board and subject to the provisions of the Act and these Articles the Board may by resolution vest any such Managing Director or Managing Directors or Whole Time Director or Whole Time Directors such of the power hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine and they may subject to the provisions of the Act and these Articles confer such powers either collaterally with or to the exclusion of or in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.	Powers and duties of Managing and Whole Time Director(s)
PROCEEDINGS OF THE BOARD OF DIRECTORS			
168		The Directors may meet together as a Board for the despatch of business from time to time, and unless the Central Government by virtue of the proviso to Section 173 of the Companies Act, 2013 otherwise directs, shall so meet at least once in every one hundred and twenty days and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.	Meeting of Directors
169	(1)	Notice of every meeting of the Board of Directors shall be given in writing to every Director for the time being in India,	Notice of meetings

		and at his usual address in India to every other Director.	
	(2)	A Director may at any time and the Secretary upon the request of Director made at any time shall convene a meeting of the Board of Directors by giving a notice in writing to every Director for the time being in India and at his usual address in India to every other Director. Notice may be given by telex or telegram to any Director who is not in India.	When meeting to be Convened
170	(a)	Subject to Section 174 of the Companies Act, 2013 the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher, PROVIDED that where at any time the number of interested Directors at any meeting exceeds or is equal to two-third of the total strength, the number of the remaining Directors (that is to say, the number of Directors who are not interested) present at the meeting being not less than two shall be quorum during such time.	Quorum
	(b)	For the purpose of clause (a) : (i)"Total Strength" of the Board of Directors of the Company shall be determined in pursuance of the Act, after deducting there from number of the Directors, if any, whose places may be vacant at the time, and (ii)"Interested Directors" means any Director whose presence cannot by reason of Article 153 hereof or any other provisions in the Act count for the purpose of forming a quorum at a meeting of the Board, at the time of the discussion or vote on any matter.	
171		If a meeting of the Board could not be held for want of quorum then the meeting shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place.	Procedure when meeting adjourned for want of quorum
172		One of the Directors shall be the Chairman of the Board of Directors who shall preside at all meetings of the Board. If at any meeting the Chairman is not present at the time appointed for the meeting then the Directors present shall elect one of them as Chairman who shall preside.	Chairman
173		Subject to provisions of Section 203, and 203 of the Companies Act, 2013, and other applicable provisions of law, questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of an equality of votes, the Chairman shall have second or casting vote.	Questions at Board meeting how decided
174		A meeting of the Board of Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or these Articles or the regulations for the time being of the Company are vested in or are exercisable by the Board of Directors generally.	Powers of Board Meetings
175		The Board of Directors may, subject to the provisions of Section 179 of the Companies Act, 2013, and other relevant provisions of the Act and these Articles, appoint committees of the Board, and delegate any of the powers other than the	Directors may appoint Committees

		powers to make calls and to issue debentures to such committee or committees and may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to the persons or purposes, but every committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointment, but not otherwise, shall have the like force and effect, as if done by the Board.	
176		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 meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	Meeting of the Committee how to be Governed
177	(1)	A resolution passed by circular without a meeting of the Board or a Committee of the Board appointed under Article 179 shall subject to the provisions of sub-clause (2) hereof and the Act be as valid and effectual as the resolution duly passed at meeting of, the Directors or of a Committee duly called and held.	Circular Resolution
	(2)	A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, if the resolution, has been circulated in draft together with necessary papers, if any, to all the Directors or to all the members of the Committee then in India (not being less in number than in the quorum fixed for a meeting of the Board or Committee as the case may be), and to all other Directors or members of the Committee at their usual addresses in India in accordance with the provisions of Section 175(1) of the Companies Act, 2013, and has been approved by such of the Directors or members of the Committee as are in India or by a majority of such of them as are entitled to vote on the resolution.	
178		All acts done by any meeting of the Board or by a Committee of the Board 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 one or more of such Directors or any person acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director. Provided nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.	Acts of Board or Committee valid notwithstanding effect in appointment
POWERS OF THE BOARD			
179		Subject to the provisions of the Act, the business of the Company shall be managed by the Board who may exercise	Powers of Director

		all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in general meeting, subject nevertheless to these Articles to the provisions of the Act, or any other Act and to such regulations (being not inconsistent with the aforesaid regulations or provisions), as may be prescribed by the Company in general meeting but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made, PROVIDED that the Board shall not, except with the consent of the Company by a special resolution in a general meeting: (a) sell, lease or otherwise dispose of the whole or substantially the whole, of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking; (b) remit, or give time for the payment of any debt due by a Director; (c) invest otherwise than in trust securities the amount of compensation received by the Company as a result of a merger or amalgamation; (d) borrow money where the money to be borrowed together with the money already borrowed by the Company will exceed the aggregate of the paid up capital of the Company and its free reserves, (apart from temporary loans obtained from the Company's bankers in the ordinary course of business); or, (i) Provided that in respect of the matter referred to in sub-clause (d) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which monies may be borrowed by the Board under clause (d); (ii) Provided further that the expression "temporary loans" in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term, cash credit arrangements, the discounting of bills and the issue of other short term loans of a reasonable character, but does not include loans raised for the purpose of financing expenditure of a capital nature.	
180		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 resolution passed at the meetings of the Board : (a) to make calls on shareholders in respect of money unpaid on their shares; (b) to authorise buy-back of securities under Section 68 of the Companies Act, 2013; (c) to borrow monies; (d) to invest the funds of the Company; (e) to grant loans or give guarantee or provide security in respect of loans;	Certain powers to be exercised by the Board only at meetings

		(f) to approve financial statement and the Board's report; (g) to diversify the business of the Company; (h) to approve amalgamation, merger or reconstruction; (i) to take over a Company or acquire a controlling or substantial stake in another Company; (j) any other matter which may be prescribed under the Act and the rules made thereunder. Provided that the Board may by resolution passed at a meeting delegate to any Committee of Directors, Managing Director or any other principal officer of the Company, or in case of branch office of the Company a principal officer of the branch office, the powers specified in (c), (d) and (e) of this sub-clause on such terms as it may specify.	
181		Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers and without prejudice to the last preceding Article it is hereby declared that the Directors shall have the following powers that is to say, power:	Certain powers of the Board
		(1) to pay the costs, charges and expenses preliminary and incidental to the formation, promotion, establishment and registration of the Company;	
		(2) to pay and charge the capital account to the Company any commission or interest, lawfully payable thereout under the provisions of Section 40 of the Companies Act, 2013 and other applicable provisions of law;	
		(3) subject to Sections 179 and 188 of the Companies Act, 2013, to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at or for price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition accept such title as the Directors may believe or may be advised to be reasonably satisfactory;	
		(4) at their discretion and subject to the provisions of the Act to pay for any property, rights or privileges by or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures, mortgages or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon, and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;	
		(5) to secure the fulfillments of any contracts or engagement entered into by the Company mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit;	
		(6) to accept from any member, so far as may be permissible by law, a surrender of his shares or any part thereof, on	

		such terms and conditions as shall be agreed;	
		(7) to appoint any person to accept and hold in trust for the Company any property belonging to the Company, or in which it is interested or for any other purposes and to execute and do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees;	
		(8) to institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its officer, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment on satisfaction of any debts due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian law or according to foreign law and either in India or abroad and observe and perform or challenge any award made therein;	
		(9) to act on behalf of the Company in all matters relating to bankrupts and insolvents;	
		(10) to make and give receipts, release and other discharge for monies payable to the Company and for the claims and demands of the Company;	
		(11) subject to the provisions of Sections 179, 180 and 185, of the Companies Act, 2013 and other applicable provisions of law, to invest and deal with any monies of the Company not immediately required for the purpose thereof, upon such security (not being the shares of this Company) or without security and in such manner as they may think fit, and from time to time to vary or realise such investments. Save as provided in Section 187 of the Companies Act, 2013, all investments shall be made and held in the Company's own name;	
		(12) to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgage of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	
		(13) to determine from time to time who shall be entitled to sign, on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts, and documents and to give the necessary authority for such purpose;	
		(14) to distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction; and to charge such bonus or commission as a part of working expenses of the Company;	
		(15) to provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and wives,	

		widows, and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwellings or chawls or by grants of money, pensions, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and subject to the applicable provisions of law to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise;	
		(16) before recommending any dividend, subject to the provision of Section 123 of the Companies Act, 2013, to set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation fund, or to insurance fund, or as a reserve fund or sinking fund or any special fund to meet contingencies or to repay debentures or debenture stock or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purposes referred to in the preceding clause) as the Board may, in their absolute discretion think conducive to the interest of the Company, and subject to Section 179 of the Companies Act, 2013, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than share of this Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board in their absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof may be matters to or upon which the capital monies of the Company might rightly be applied or expended; and to divide the reserve fund into such special funds as the Board may think fit; with full power to transfer the whole or any portion of a reserve fund or division of a reserve fund to another reserve fund and/or division of a reserve fund and with full power to employ and assets constituting all or any of the above funds including the depreciation fund, in the business of the Company or in purchase or repayment of debentures or debenture stock and that	

		without being bound to keep the same separate from the other assets and without being bound to pay interest on the same, with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, not exceeding nine percent per annum;	
		(17) to appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties, and to fix their salaries, or emoluments or remuneration, and to require security in such instances and to such amounts as they may think fit, and also from time to time to provide for the management and transaction of the affairs of the Company in specified locality in India or elsewhere in such manner as they think fit; and the provision contained in the next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause;	
		(18) to comply with the requirement of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with;	
		(19) from time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such Local Boards, and to fix their remuneration;	
		(20) subject to Section 179 of the Companies Act, 2013, from time to time and at any time to delegate to any persons so appointed any of the powers, authorities, and discretions for the time being vested in the Board, other than their power to make call or to make loans or borrow monies; and to authorise the member for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and such appointment or delegation may be made on such terms subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation;	
		(21) at any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow monies) and for such period and subject to such conditions as the Board may from	

		time to time think fit, and any such appointments may (if the Board thinks fit) be made in favour of the members or any of the members of any local board established as aforesaid or in favour of any Company, or the shareholders, Directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them;	
		(22) subject to the provisions of the Companies Act, 2013, for or in relation of any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient;	
		(23) from time to time to make, vary and repeal by-laws for the regulation of the business of the Company, its officers and servants.	
MINUTES			
182	(1)	The Company shall cause minutes of all proceedings of general meetings of any class of shareholders or creditors, and every resolution passed by postal ballot or by electronic means and every meeting of the Board of Directors or of every committee of the Board to be prepared and signed in such manner as may be prescribed and kept within thirty days of the conclusion of every such meeting concerned, or passing of resolution by postal ballot in books kept for that purpose with their pages consecutively numbered.	Minutes to be considered evidence
	(2)	The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.	
	(3)	All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings.	
	(4)	In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain:	
		(a) the names of the Directors present at the meeting; and	
		(b) in the case of each resolution at the meeting the names of the Directors, if any, dissenting from or not concurring in the resolution.	
	(5)	Nothing contained in clauses (1) to (4) 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:	
		(a) is or could reasonably be regarded as defamatory of any person;	
		(b) is irrelevant or immaterial to the proceedings; or	
		(c) is detrimental to the interest of the Company.	
		The Chairman shall exercise an absolute discretion in regard	

		to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause.	
183		The minutes of meeting kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein,	Minutes to be evidence of the proceedings
184		Where the minutes of the proceedings of any general meeting of the Company or of any meeting of the Board or of a Committee of Directors have been kept in accordance with provisions of Section 118 of the Companies Act, 2013, until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereat to have been duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid.	Presumptions to be drawn where minutes duly drawn and signed
185	(1)	The books containing the minutes or the proceedings of any general meeting of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Companies Act, 2013, be determined by the Company in general meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.	Inspection of Minutes Books of General Meetings
	(2)	Any member of the Company shall be entitled to be furnished within seven working days after he has made a request in that behalf to the Company and on payment of such sums as may be prescribed, with a copy of any minutes referred to in sub-clause (1) hereof.	
186		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 Companies Act, 2013 to be contained in the minutes of the proceedings of such meetings.	Publication of report of proceedings of General Meeting
MANAGEMENT			
187		The Company shall not appoint or employ at the same time a Managing Director and a Manager.	Prohibition of simultaneous appointment of different categories of managerial personal
188		Subject to the provisions of the Act - (i) a chief executive officer, manager, Company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief financial officer so appointed may be removed by means of a resolution of the Board; (ii) a Director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.	
189	(1)	A provision of the Act or these regulations requiring or authorising 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 it being done by or to the same person acting both as Director and as, or in place	The Seal, its custody and use

		of, the chief executive officer, manager, Company secretary or chief financial officer.	
	(2)	the Seal shall not be affixed to any instrument except by the authority of the Board of Directors or a Committee of the Board previously given and in the presence of any two officials of the Company or such other person, the Board may appoint in that behalf who shall sign every instrument to which the Seal is affixed. Provided that the certificates of shares or debentures shall be sealed in the manner and in conformity with the provisions of the Companies (Share Capital and Debenture) Rules, 2014, and their statutory modifications for the time being in force.	
DIVIDEND WARRANTS			
191	(1)	Subject to the rights of 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 divided 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.	Division of profits
	(2)	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.	
	(3)	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms provided that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.	
192		The Company in general meeting may declare dividends, to be paid to members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	The Company in general meeting may declare dividend
193	(1)	No dividend shall be declared or paid by the Company for any financial year except (a) out of the profits of the Company for that year arrived at after providing for depreciation in accordance with the provisions of sub-clause (2) 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 (b) out of the monies provided by the Central Government or State government for the payment of dividend in pursuance or guarantee given by the Government.	Dividend out of profits Only
	(2)	For the purposes of sub-clause (1), the depreciation shall be provided in accordance with the provisions of Schedule II of the Companies Act, 2013.	
	(3)	No dividend shall be payable except in cash, provided that	

		nothing in this Article shall be deemed to prohibit the capitalisation 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.	
194		The Board of Directors may from time to time, pay to the members such interim dividends as in their judgment the position of the Company justifies.	Interim Dividend
195		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.	Debts may be deducted
196		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.	Capital paid up in advance at interest not to earn dividend
197		All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	Dividends in proportion to amount paid up
198		The Board of Directors may retain the dividend payable upon shares in respect of which any person under the Transmission Clause has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	Retention of dividends until in certain cases
199		No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst 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 to any member all such sums of monies so due from him to the Company.	No member to receive dividend whilst liberated to the Company and the Company's right of Reimbursement thereof
200		A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	Effect of transfer of Shares
201		Any one of several persons who are registered as joint holders of any share may give effectual receipt for all dividends or bonus and payments on account of dividends in respect of such share.	Dividend to joint Holders
202		The dividend payable in cash may be paid by cheque or warrant or in any electronic mode to 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 or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any	Dividend how remitted

		other means.	
203		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.	Notice of dividend
204	(1)	The Company shall pay the dividend or send the warrant in respect thereof to the shareholder entitled to the payment of dividend, within thirty days from the date of the declaration unless : (a) where the dividend could not be paid by reason of the operation of any law; (b) where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; (c) where there is a dispute regarding the right to receive the dividend; (d) where the dividend has been lawfully adjusted by the Company against any sum due to it from the shareholder, or (e) where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.	Dividend to be paid within thirty days
	(2)	(a) where the dividend has been declared or claimed within thirty days from the date of the declaration to any shareholder entitled to the payment thereof the Company shall within seven days from the date of expiry or the said period of thirty days transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days to a special account to be opened by the Company in that behalf in any Scheduled Bank to be called "Unpaid Dividend Account of SAKAR HEALTHCARE LIMITED"	
		(b) The Company shall, within a period of ninety days of making any transfer of an amount under sub clause (a) to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the Company, if any, and also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be prescribed.	
		(c) If any default is made in transferring the total amount referred to in sub-clause (1) or any part thereof to the Unpaid Dividend Account of the Company, it shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account, at the rate of twelve per cent per annum and the interest accruing on such amount shall ensure to the benefit of the members of the Company in proportion to the amount remaining unpaid to them.	
		(d) Any person claiming to be entitled to any money transferred under sub-clause (1) to the Unpaid Dividend	

		Account of the Company may apply to the Company for payment of the money claimed.	
		(e) any money transferred to the Unpaid Dividend Account of the Company in pursuance of this Article which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company along with interest accrued, if any, thereon to the Investor Education and Protection Fund of the Central Government.	
		(f) the Company shall when making any transfer to the Investor Education and Protection Fund of the Central Government any unpaid or unclaimed dividend, furnish to such officer as the Central Government may appoint in this behalf a statement in the prescribed form seeing forth in respect of all sums included in such transfer, the nature of the sums, the names and last known addresses of the persons entitled to receive the sum, the amount to which each person is entitled and the nature of his claim thereto and such other particulars as may be prescribed.	
CAPITALISATION			
205	(1)	The Company in General Meeting may, upon the recommendation of the Board, resolve : (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the Profit and Loss Account or otherwise available for distributions; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.	Capitalisation
	(2)	The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) either in or towards: (i) paying up any amount 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 allocated and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii); (iv) 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; (v) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.	
206	(1)	Whenever such a resolution as aforesaid shall have been passed, the Board shall: (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, if any, and (b) generally do all acts and things required to give effect	Fractional Certificates

		thereto.	
	(2)	The Board shall have full power : (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in the case of shares becoming distributable in fractions and also (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an arrangement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised to the amounts of any part of the amounts remaining unpaid on their existing shares.	
	(3)	Any agreement made under such authority shall be effective and binding on all such members.	
	(4)	That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificate as they think fit.	
ACCOUNTS			
207	(1)	The Company shall prepare and keep at its registered office proper books of account and other relevant books and papers and financial statement for every financial year in accordance with Section 128 of the Companies Act, 2013, as would give a true and fair view of the state of affairs of the Company including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting: Provided that all or any of the books of accounts aforesaid and other relevant papers may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decide the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place. Provided further that the Company may keep such books of account or other relevant papers in electronic mode in such manner as may be prescribed.	Books to be kept
	(2)	Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of sub-clause (1) if proper books of accounts relating to the transactions affected at the branch are kept at that office and proper summarised returns made upto date at intervals of not more than three months are sent by the branch office to the Company at its registered office or the other place referred to in sub-clause (1). The books of accounts and other books and paper maintained	

		by the Company within India shall be open to inspection at the registered office of the Company or at such other place in India by any Director during business hours and in the case of financial information, if any, maintained outside the country, copies of such financial information shall be maintained and produced for inspection by any Director subject to such conditions as may be prescribed: Provided that the inspection in respect of any subsidiary of the Company shall be done only by the person authorised in this behalf by a resolution of the Board of Directors..	
	(3)	The books of account of the Company relating to a period of not less than eight financial years immediately preceding a financial year, or where the Company had been in existence for a period less than eight years, in respect of all the preceding years together with the vouchers relevant to any entry in such books of account shall be kept in good order: Provided that where an investigation has been ordered in respect of the Company under Chapter XIV of the Companies Act, 2013, the Central Government may direct that the books of account may be kept for such longer period as it may deem fit.	
208	(1)	The Board of Directors shall in accordance with Section 129, 133 and 134 of the Companies Act, 2013 and the rules made thereunder, cause to be prepared and laid before each annual general meeting, financial statements for the financial year of the Company which shall be a date 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 under the provisions of the Act.	Financial Statements
	(2)	The financial statements of the Company shall give a true and fair view of the state of affairs of the Company and comply with the accounting standard notified under Section 133 of the Companies Act, 2013 and shall be in the form set out in Schedule III to the Companies Act, 2013. Provided that the items contained in such financial statements shall be in accordance with the accounting standards.	
	(3)	In case the Company has one or more subsidiaries, it shall, in addition to financial statements provided under sub-clause (1), prepare a consolidated financial statement of the Company and of all the subsidiaries in the same form and manner as that of its own which shall also be laid before the annual general meeting of the Company along with the laying of its financial statement under sub-section (1): Provided that the Company shall also attach along with its financial statement, a separate statement containing the salient features of the financial statement of its subsidiary or subsidiaries in such form as may be prescribed: Provided further that the Central Government may provide for the consolidation of accounts of companies in such manner as may be prescribed. For the purposes of this sub-clause, the word "subsidiary" shall include associate Company and joint venture.	
AUDIT			
209		Once at least in every year the accounts of the Company shall	Account to be

		be audited and the correctness of the financial statements ascertained by one or more Auditor or Auditors.	audited
210	(1)	Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with the provisions of Chapter X of the Companies Act, 2013 and the rules made thereunder.	Appointment of Auditors
	(2)	Subject to the provisions of Section 139 of the Companies Act, 2013, the Company shall at the first annual general meeting appoint an individual or a firm as an Auditor to hold office from conclusion of that meeting until the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting and the manner and procedure of selection of auditors by the members of the Company at such meeting shall be such as may be prescribed. Provided that the Company shall place the matter relating to such appointment for ratification by members at every annual general meeting; Provided further that before such appointment is made, the written consent of the auditor to such appointment and a certificate from him or it that the appointment, if made, shall be in accordance with the conditions as may be prescribed, shall be obtained from the auditor: Provided also that the certificate shall also indicate whether the auditor satisfies the criteria provided in Section 141 of the Companies Act, 2013: Provided also that the Company shall inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the Registrar within fifteen days of the meeting in which the auditor is appointed. "Appointment" includes reappointment.	
DOCUMENTS AND NOTICES			
211	(1)	A document or notice may be served by the Company on any member thereof either personally or by sending it by registered post or by speed post or by courier service or by leaving it 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 notice on him or by means of such electronic or other mode as may be prescribed.	Service of documents or notices on members by the Company
	(2)	A document or notice advertised in a newspaper circulating 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.	
	(3)	A document or notice may be served by the Company on the joint holders of a share by serving it on the joint holder named first in the Register in respect of the share.	
	(4)	A document or notice may be served by the Company on the person entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a	

		prepaid 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, serving the document or notice in any manner in which it might have been served if the death or insolvency had not occurred.	
	(5)	The signature to any document or notice to be given by the Company may be written or printed or lithographed.	
212		Document or notice of every general meeting shall be served or given in the same manner hereinbefore authorised on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member and (c) 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 circulating in the neighborhood of the office of the Company under Article 93 a statement of material facts referred to in Article 93 need not be annexed to the notice, as is required by that Article, but is shall merely be mentioned in the advertisement that the statement has been forwarded to the members of the Company.	To whom documents must be served or given
213		Every person who by operation of law, transfer or other means whatsoever, has become entitled to any 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 been duly served on or give to the person from whom he derived his title to such share.	Members bound by documents or notices served on or given to previous holders
214		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 service or by leaving it at its registered office or by means of such electronic or other mode as may be prescribed: Provided that where securities are held with a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic or other mode.	Service of documents on Company
215		Save as provided in the Act or the rules made thereunder for filing of documents with the Registrar in electronic mode, a document may be served on the Registrar or any member by sending it to him at his office by post or by Registered Post or by speed post or by courier or delivering it to or leaving it for him at his office, or by such electronic or other mode as may be prescribed. Provided that a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the Company in its annual general meeting. The term ‘‘courier’’ means a person or agency which delivers the document and provides proof of its delivery.	Service of documents by Company on the Registrar

216		Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the Company or contracts made on behalf of the Company may be signed by any key managerial personnel or other officer of the Company duly authorised by the Board of the Company and need not be under the Common Seal of the Company.	Authentication of documents and proceedings
REGISTERS AND DOCUMENTS			
217		The Company shall keep and maintain Registers, Books and Documents as required by the Act or these Articles, including the following :	Registers and documents to be maintained by the Company
		(1) Register of Investments made by the Company but not held in its own name, as required by Section 187(3) of the Companies Act, 2013, and shall keep it open for inspection by any member or debenture holder of the Company without charge.	
		(2) Register of Mortgages and Charges and copies of instrument creating any charge requiring registration according to Section 85 of the Companies Act, 2013, and shall keep them open for inspection by any creditor or member of the Company without fee and for inspection by any person on payment of a fee of rupee ten for each inspection.	
		(3) Register and Index of Members as required by Section 88 of the Companies Act, 2013, and shall keep the same open for inspection during business hours, at such reasonable time on every working day as the Board may decide by any member, debenture holder, other security holder or beneficial owner without payment of fee and by any other person on payment of a fee of rupees fifty for each inspection.	
		(4) Register and Index of Debenture Holders or Security Holders under Section 88 of the Companies Act, 2013, and keep it open for inspection during business hours, at such reasonable time on every working day as the Board may decide by any member, debenture holder, other security holder or beneficial owner without payment of fee and by any other person on payment of rupees fifty for each inspection.	
		(5) Foreign Register, if so thought fit, as required by Section 88 of the Companies Act, 2013, and it shall be open for inspection and may be closed and extracts may be taken therefrom and copies thereof as may be required in the manner, mutatis mutandis, as is applicable to the Principal Register.	
		(6) Register of Contracts with related parties and companies and firms etc. in which Directors are interested as required by Section 189 of the Companies Act, 2013, and shall keep it open for inspection at the registered office of the Company during business hours by any member of the Company. The Company shall provide extracts from such register to a member of the Company on his	

		request, within seven days from the date on which such request is made upon the payment of fee of ten rupees per page.	
		(7) Register of Directors and Key Managerial Personnel etc., as required by Section 170 of the Companies Act, 2013 and shall keep it open for inspection during business hours and the members of the Company shall have a right to take extracts therefrom and copies thereof, on a request by the members, be provided to them free of cost within thirty days. Such register shall also be kept open for inspection at every annual general meeting of the Company and shall be made accessible to any person attending the meeting.	
		(8) Register of Loans, Guarantee, Security and Acquisition made by the Company as required by Section 186(9) of the Companies Act, 2013. The extracts from such register may be furnished to any member of the Company on payment of fees of ten rupees for each page.	
		(9) Books recording minutes of all proceedings of general meeting and all proceedings at meetings of its Board of Directors or of Committee of the Board in accordance with the provisions of Section 118 of the Companies Act, 2013.	
		(10) Copies of Annual Returns prepared under Section 92 of the Companies Act, 2013, together with the copies of certificates and documents required to be annexed thereto. Provided that any member, debenture holder, security holder or beneficial owner or any other person may require a copy of any such register referred to sub-clause (3), (4) or (5), or the entries therein or the copies of annual returns referred to in sub-clause (10) above on payment of a fee of ten rupees for each page. Such copy or entries or return shall be supplied within seven days of deposit of such fee.	
WINDING UP			
218		If the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient 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 the proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the shares held by them respectively, and if in a 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. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.	Distribution of assets
219	(1)	If the Company shall be wound up, whether voluntarily or otherwise, the liquidator may, with the sanction of a special	Distribution in specie

		resolution, divide amongst the contributories in specie or kind, 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 a Liquidator, with such sanction shall think fit.	or kind
	(2)	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 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 upon, any contributory who would be prejudiced thereby shall have a right to dissent and ancillary rights as if such determination were a special resolution passed pursuant to Section 319 of the Companies Act, 2013.	
	(3)	In case any shares to be divided as aforesaid involve 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 by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall if practicable act accordingly.	
220		A special resolution sanctioning a sale to any other Company duly passed pursuant to Section 319 of the Companies Act, 2013 may subject to the provisions of the Act in like manner as aforesaid, determine that any shares or other consideration receivable by the Liquidator be distributed amongst the members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the members subject to the rights of dissent and consequential rights conferred by the said sanction.	Right of shareholders in case of sales
INDEMNITY			
221		Subject to provisions of Section 197 of the Companies Act, 2013, every Director, or Officer, or servant of the Company or any person (whether an officer of the Company or not) employed by the Company as auditor, shall be indemnified by the Company against and it shall be the duty of the Directors out of the funds of the Company to pay all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in anyway in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act, neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, Officer or Auditor or other Officer of the Company in defending any proceedings whether civil or criminal in which judgment is	Directors' and others' rights to indemnity

		given in his favour or in which he is acquitted or in connection with any application under Section 463 of the Companies Act, 2013 in which relief is granted to him by the Court.	
222		Subject to the provisions of Section 197 of the Companies Act, 2013, no Director, Auditor 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 insufficiency or deficiency of any of any security in or upon which any of the monies of the Company shall be invested, or for any loss or damages arising from insolvency or tortuous act of any person, firm or Company to or with whom any monies, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgment, omission, default or oversight on his part or for any other loss, damage, or misfortune whatever which shall happen in relation to the execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.	Director, Officer not responsible for acts of others
SECRECY CLAUSE			
223		Every Director, 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 pledging himself to observe strict secrecy and confidentiality in respect of all transactions and affairs of the Company and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so 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.	Secrecy Clause
224		No member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Directors or Managing Director or to require discovery of or any information respecting any detail of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process, or any other matter	No member to enter the premises of the Company without permission

		which may relate to the conduct of the business of the Company and which in the opinion of the Director; it would be inexpedient in the interest of the Company to disclose.	

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts 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 the 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 located at Plot No. 10/13, Nr. M N. Desai Petrol Pump, Sarkhej Bavla Highway, Changodar, Ahmedabad – 382 213, Gujarat, India from date of filing this Red Herring Prospectus with RoC to Bid Closing Date on working days from 10.00 a.m. to 5.00 p.m.

Material Contracts

1. Issue Agreement dated September 20, 2016 amongst our Company and the BRLM.
2. Registrar Agreement dated April 20, 2015 between our Company and Registrar to the issue.
3. Underwriting Agreement dated September 20, 2016 between our Company and Underwriter viz. BRLM
4. Market Making Agreement dated September 20, 2016 between our Company, Market Maker and the BRLM.
5. Bankers to the Offer Agreement dated September 20, 2016 amongst our Company, the BRLM, Banker(s) to the offer and the Registrar to the issue.
6. Syndicate Agreements among our Company, the BRLM and Syndicate Members viz. Choice Equity Broking Private Limited, Indira Securities Private Limited and Nirmal Bang Securities Private Limited dated September 20, 2016, September 21, 2016 and September 19, 2016 respectively.
7. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated May 19, 2015
8. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated April 24, 2015

Material Documents

1. Certified copies of the updated Memorandum and Articles of Association of our Company along with certificates of incorporation as amended from time to time.
2. Resolutions of the Board of Directors dated September 01, 2016 in relation to the Issue and other related matters.
3. Shareholders' resolution dated September 06, 2016 in relation to the Issue and other related matters.
4. Statement of Tax Benefits dated September 06, 2016 issued by our Peer Reviewed Auditor Shah & Dalal, Chartered Accountants.
5. Report of the Peer Reviewed Auditor, Shah & Dalal, Chartered Accountants, dated September 06, 2016 on the Restated Financial Statements for the period ended and for the financial year ended as on March 31, 2016, 2015, 2014, 2013 & 2012 of our Company.
6. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Reviewed Auditors, Legal Advisor to the Issue, the Book Running Lead Managers, Registrar to the Issue, Underwriter, Market Maker, Banker to the Company, Bankers to the Issue/ Refund Banker, to act in their respective capacities.

7. Copy of approval from NSE India Ltd. Limited *vide* letter dated September 21, 2016, to use the name of NSE in this offer document for listing of Equity Shares on NSE Emerge (SME Platform) of NSE India Limited.

None of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, as the case may be, have been complied with and no statement made in the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Red Herring Prospectus are true and correct.

Signed by all the Directors of our Company

Name and Designation	Signature
Sanjay Shah *Managing Director*	Sd/-
Rita Shah *Whole Time Director*	Sd/-
Aarsh Shah *Joint Managing Director*	Sd/-
Prashant Srivastav *Independent Director*	Sd/-
Shailesh Patel *Independent Director*	Sd/-
Hardik Mehta *Independent Director*	Sd/-

Signed by Chief Financial Officer and Company Secretary & Compliance Officer of the Company

Sd/- **Johnny George** *Chief Financial Officer*	**Sd/-** **Pratixa Seju** *Company Secretary & Compliance Officer*

Place: Ahmedabad

Date: September 21, 2016

Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED

Sr. No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % 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.	Vidli Restaurants Limited	1.31	10.00	February 15, 2016	12.00	149.50 % (4.23%)	174.50% (8.91%)	400.00% (19.52%)
2.	Ruby Cables Limited	10.50	50.00	April 13, 2016	50.90	0.00% (-0.54%)	-18.40% (8.51%)	Not Applicable
3.	Sysco Industries Limited	2.17	10.00	April 13, 2016	12.00	117.50%(-0.54%)	92.00% (8.51%)	Not Applicable
4.	Lancer Container Lines Limited	1.848	12.00	April 13, 2016	12.60	32.08%(-0.54%)	31.25% (8.51%)	Not Applicable
5.	Yash Chemex Limited	2.51	23.00	June 20, 2016	23.85	18.26% (3.90%)	9.13% (6.58%)	Not Applicable
6.	Titaanium Ten Enterprise Limited	2.74	15.00	July 14, 2016	16.00	15.33% (0.75%)	Not Applicable	Not Applicable
7.	Commercial Syn Bags Limited	7.66	24.00	July 14, 2016	28.80	49.58% (0.75%)	Not Applicable	Not Applicable
8.	Shiva Granito Export Limited	5.04	12.00	September 06, 2016	13.95	Not Applicable	Not Applicable	Not Applicable
9.	Sprayking Agro Equipment Limited	1.86	21	September 14, 2016	24.00	Not Applicable	Not Applicable	Not Applicable
10.	Narayani Steels Limited	11.52	32	September 14, 2016	33.45	Not Applicable	Not Applicable	Not Applicable

Sources: All share price data is from www.bseindia.com and www.nseindia.com

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case $30^{th}/90^{th}/180^{th}$ day is not a trading day, closing price on BSE/NSE of the next trading day has been considered
4. In case $30^{th}/90^{th}/180^{th}$ days, scrips are not traded then last trading price has been considered.
5. As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by the lead manager are provided.

SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	Total funds raised (Rs. Cr)	Nos of IPOs trading at discount on 30th Calendar day from listing date			Nos of IPOs trading at premium on 30th Calendar day from listing date			Nos of IPOs trading at discount on 180th Calendar day from listing date			Nos of IPOs trading at premium on 180th Calendar day 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%
13-14	*1	6.855	-	-	-	-	1	-	-	-	-	-	1	-
14-15	**5	56.844	-	-	-	-	-	5	-	-	-	-	2	3
15-16	***9	54.01	-	-	1	2	2	4	-	-	2	4	3	-
16-17	****9##	45.84	-	-	-	1	2	3	-	-		-	-	-

*The scripts of Si. Vi. Shipping Corporation Limited was listed on March 6, 2014.

**The scripts of Women's Next Loungeries Limited, Ultracab (India) Limited, Momai Apparels Limited, Jet Infraventure Limited and Supreme(India) Impex Limited were listed on April 21, 2014, October 10, 2014, October 16, 2014, November 25, 2014, and March 31, 2015 respectively.

***The scripts of Filtra Consultants and Engineers Limited, Ambition Mica Limited, Jiya Eco Products Limited, M.D. Inducto Cast Limited, Majestic Research Services and Solutions Limited, Mangalam Seeds Limited, Sri Krishna Constructions (India) Limited, Patdiam Jewellery Limited and Vidli Restaurants Limited were listed on April 15, 2015, July 14, 2015, July 16, 2015, July 16, 2015, July 16, 2015, August 12, 2015, October 01, 2015, October 16, 2015 and February 15, 2016 respectively.

****The scripts Ruby Cables Limited, Sysco Industries Limited, Lancer Containers Lines Limited, Yash Chemex Limited, Titaanium Ten Enterprise Limited, Commercial Syn Bags Limited, Shiva Granito Export Limited, Sprayking Agro Equipment Limited and Narayani Steels Limited were listed on April 13, 2016, April 13, 2016, April 13, 2016, June 20, 2016, July 14, 2016, July 14, 2016, September 06, 2016, September 14, 2016 and September 14, 2016 respectively.

##The Scripts of Ruby Cables Limited, Sysco Industries Limited, Lancer Containers Lines Limited, Yash Chemex Limited, Titaanium Ten Enterprise Limited, Commercial Syn Bags Limited, Shiva Granito Export Limited, Sprayking Agro Equipment Limited and Narayani Steels Limited have not completed 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 30 Days, 30 Days and 30 Days respectively from the date of listing.