



ANG LIFESCIENCES INDIA LIMITED

CIN: U24230PB006PLC030341

Our Company was originally incorporated as “ANG Lifesciences India Private Limited” on June 14, 2006 with the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh as a private limited Company under the Companies Act, 1956. On conversion into public limited Company the name of our Company was changed to “ANG Lifesciences India Limited” pursuant to special resolution passed at the Extra Ordinary General Meeting held on January 18, 2010 and a fresh certificate of incorporation dated March 02, 2010 issued by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh. Our company was further converted into private limited Company and the name of our Company was changed to “ANG Lifesciences India Private Limited” pursuant to special resolution passed at the Extra Ordinary General Meeting held on August 31, 2010 and a fresh certificate of incorporation was issued by Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh dated September 22, 2010. Subsequently, on conversion into public limited Company the name of our company again changed to “ANG Lifesciences India Limited” pursuant to special resolution passed at the Extra Ordinary General Meeting held on May 04, 2016 and a fresh certificate of incorporation dated May 18, 2016 issued by the Registrar of Companies, Chandigarh. For further details of our Company, please refer to the chapter titled “History and Certain Corporate Matters” on page 83 of the Draft Prospectus.

Registered Office: - Darbara Complex, SCO 113, First Floor, District Shopping Centre B Block, Ranjit Avenue, Amritsar – 143 001.

Tel: +91 0183-5070118, 5070119; **Website:** www.anglifesciences.com,

Company Secretary and Compliance Officer: Mr. Chandan Kapoor; **E-mail:** cs@anglifesciences.com

PROMOTERS: MR. RAJESH GUPTA AND MRS. SARUCHI GUPTA

PUBLIC ISSUE OF 15,00,800, EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH OF ANG LIFESCIENCES INDIA LIMITED (“ANG” OR “ALIL” OR “THE COMPANY” OR “THE ISSUER”) FOR CASH AT A PRICE OF ₹ 80.00 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 70.00 PER EQUITY SHARE) (“ISSUE PRICE”) AGGREGATING TO ₹ 1200.64 LAKHS (“THE ISSUE”) OF WHICH, 76,800 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ 80.00 PER EQUITY SHARE AGGREGATING TO ₹ 61.44 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER (“MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 14,24,000 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH AT AN ISSUE PRICE OF ₹ 80.00 PER EQUITY SHARE AGGREGATING TO ₹ 1139.20 LAKHS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 28.95% AND 27.47%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 (THE “SEBI (ICDR) REGULATIONS”), AS AMENDED. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET ISSUE TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 43(4) OF THE SEBI (ICDR) REGULATIONS, AS AMENDED. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED “ISSUE PROCEDURE” ON PAGE 178 OF THE DRAFT PROSPECTUS. All potential investors may participate in the Issue 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.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE ISSUE PRICE OF ₹ 80.00 IS 8 TIMES OF THE FACE VALUE

RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of the Issuer, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is ₹ 10 and the Issue price of ₹ 80.00 per Equity Share is 8 times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager, as stated under the chapter titled ‘Basis for the Issue Price’ on page 55 of the Draft Prospectus) should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/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 investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of the Draft Prospectus. Specific attention of the investors is invited to the section titled ‘Risk Factors’ on page 11 of the Draft Prospectus.

ISSUER’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft 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 Draft 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 Draft 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 offered through the Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited. In terms of the Chapter XB of the SEBI (ICDR) Regulations 2009, as amended from time to time, our Company has received an approval letter dated [●] from BSE Limited (“BSE”) for using its name in this Draft Prospectus for listing of our shares on the SME Platform of BSE Limited. For the purpose of this Issue, the designated Stock Exchange will be the BSE.

LEAD MANAGER TO THE ISSUE



GUINNESS CORPORATE ADVISORS PRIVATE LIMITED
18 Deshapriya Park Road,
Kolkata - 700 026.
West Bengal, India
Tel: +91 – 33 – 3001 5555
Fax: +91 – 33 – 3001 5531
Email: gcapl@guinnessgroup.net
Website: www.guinnessonline.net
Contact Person: Ms. Alka Mishra / Ms. Nimisha Joshi
SEBI Registration No.: INM 000011930

REGISTRAR TO THE ISSUE



BIG SHARE SERVICES PRIVATE LIMITED
E/2, Ansa Industrial Estate, Sakivihar Road,
Sakinaka, Andheri (East),
Mumbai – 400 072.
Tel: +91 – 022 40430200
Fax: +91 – 022 28475207
Email: ipo@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Mr. Babu Raphael
SEBI Registration No.: INR000001385

ISSUE PROGRAMME

ISSUE OPENS ON: [●]

ISSUE CLOSES ON: [●]



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SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

DEFINITIONS

| TERMS | DESCRIPTION |
|--|---|
| “ANG Lifesciences India Limited”, “ALIL”, “ANG”, “We” or “us” or “our Company” “the Company” | Unless the context otherwise requires, refers to ANG Lifesciences India Limited, a Company incorporated under the Companies Act, 1956 having Registered Office at Darbara Complex, SCO 113, First Floor, District Shopping Centre B Block, Ranjit Avenue, Amritsar – 143 001. |
| “you”, “your” or “yours” | Prospective Investors in this Issue |

CONVENTIONAL/GENERAL TERMS

| TERMS | DESCRIPTION |
|---|---|
| AOA / Articles / Articles of Association | Articles of Association of ANG Lifesciences India Limited, 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 Regulation 18 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015 |
| Banker to the Company | Punjab National Bank |
| Board of Directors/the Board/our Board/Director(s) | The Board of Directors of ANG Lifesciences India Limited, including all duly constituted committees thereof |
| BSE | BSE Limited (the Designated Stock Exchange) |
| CIN | Corporate Identification Number |
| Companies Act / Act | The Companies Act, 1956 and Companies Act, 2013, to the extent amended and applicable. |
| Demographic Details | The demographic details of the Applicants such as their address, PAN, occupation and bank account details |
| Depositories Act | The Depositories Act, 1996 as amended from time to time |
| Depositories | National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) |
| DIN | Directors Identification Number |
| Equity Shares / Shares | Equity Shares of our Company of face value of Rs. 10 each unless otherwise specified in the context thereof |
| Key Managerial Personnel / Key Managerial Employees | Key managerial personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013, as described in the section titled “Our Management” on page 87 of this Draft Prospectus. |
| MOA / Memorandum / Memorandum of Association | Memorandum of Association of ANG Lifesciences India Limited, as amended |
| Non Resident | A person resident outside India, as defined under FEMA Regulations |
| Non-Resident Indian/ NRI | A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended |
| Overseas Corporate Body / OCB | 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. OCBs are not allowed to invest in this Issue. |
| Peer Review Auditor | M/s. Vishal H. Shah & Co., Chartered Accountants, the Peer Review Auditor of our Company |
| Person or Persons | Any Individual, Sole Proprietorship, Unincorporated Association, Unincorporated Organization, Body Corporate, Corporation, Company, Partnership Firm, Limited Liability Partnership, Joint Venture, or Trust or Any |



| TERMS | DESCRIPTION |
|---|---|
| | Other Entity or Organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires |
| Promoters | Promoters of the Company being Mr. Rajesh Gupta and Mrs. Saruchi Gupta |
| Promoter Group Companies /Group Companies / Group Enterprises | Unless the context otherwise specifies, refers to those entities mentioned in the section titled “Our Promoters and Promoter Group” and “Group Companies / Entities” on page 98 and 102 of this Draft Prospectus. |
| Registered office of our Company | Darbara Complex, SCO 113, First Floor, District Shopping Centre B Block, Ranjit Avenue, Amritsar – 143 001. |
| RoC | Registrar of Companies, Chandigarh |
| SEBI | The Securities and Exchange Board of India constituted under the SEBI Act. |
| SEBI Act | Securities and Exchange Board of India Act, 1992 |
| SEBI FPI Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 |
| SEBI Regulation/ SEBI (ICDR) Regulations | The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, including instructions and clarifications issued by SEBI from time to time |
| SEBI Takeover Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time |
| SEBI Insider Trading Regulations | SEBI (Prohibition of Insider Trading) Regulations 2015as amended from time to time |
| SEBI LODR Regulations | SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time |
| SEBI (Venture Capital) Regulations | Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time |
| SICA | Sick Industrial Companies (Special Provisions) Act, 1985 |
| SME Platform of BSE/Stock Exchange | The SME platform of BSE for listing of equity shares offered under Chapter X-B of the SEBI (ICDR) Regulations |
| Statutory Auditor / Auditors | M/s. Ajay K. Khanna & Co., Chartered Accountants the statutory auditors of our Company |
| SWOT | Analysis of strengths, weaknesses, opportunities and threats |

ISSUE RELATED TERMS

| TERMS | DESCRIPTION |
|--|---|
| Allotment/Allot | Unless the context otherwise requires, Transfer of the Equity Shares pursuant to the Issue |
| Allottee | The successful applicant to whom the Equity Shares are being / have been allotted |
| Applicant | Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus |
| Application Form | The form in terms of which the applicant shall apply for the Equity Shares of the Company |
| Application Supported by Blocked Amount (ASBA) | Means an application for subscribing to an Issue containing an authorization to block the application money in a bank account |
| ASBA Account | Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the appropriate application amount of the ASBA applicant, as specified in the ASBA Application Form |
| ASBA Applicant(s) | Prospective investors in this Issue, who apply through the ASBA process. Pursuant to SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the potential Investors i.e. QIBs and Non-Institutional and Retail participating in this Issue are required to mandatorily use the ASBA facility to submit their applications. |
| Basis of Allotment | The basis on which Equity Shares will be allotted to the Investors under the Issue |



| TERMS | DESCRIPTION |
|--|--|
| | and which is described in “Issue Procedure–Basis of Allotment” on page -- of this Draft Prospectus |
| Broker Centre | Broker Centre notified by the Stock Exchanges, where applicants can submit the 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 the Stock Exchanges |
| Broker to the Issue | All recognized members of the stock exchange would be eligible to act as the Broker to the Issue |
| Business Day | Any day on which commercial banks are open for the business |
| Category I FPI | FPIs who are registered as Category I Foreign Portfolio Investors under SEBI FPI Regulations |
| Category II FPI | FPIs who are registered as Category II Foreign Portfolio Investors under SEBI FPI Regulations |
| Category III FPI | FPIs who are registered as Category III Foreign Portfolio Investors under SEBI FPI Regulations |
| CAN / Confirmation of Allocation Note | The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange. |
| Compliance Officer | The Company Secretary of our Company, Mr. Chandan Kapoor |
| Collection Centres | Centres at which the designated intermediaries shall accept the ASBA forms, i.e. Designated Branches for SCSBs, Broker Centres for Registered Brokers , Designated RTA locations for RTAs and designated CDP locations for CDPs |
| 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. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI |
| Controlling Branches of the SCSBs | Such branches of the SCSBs which co-ordinate Applications 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 |
| Depository Participant / DP | A Depository Participant as defined under the Depositories Act, 1996 |
| Designated Branches | Such branches of the SCSBs which shall collect the ASBA Application Form used by ASBA Applicant and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html |
| Designated Date | The date on which funds are transferred from the Escrow Account(s) to the Public Issue Account or the Refund Account, as appropriate, and the amounts blocked by the SCSBs are transferred from the bank accounts of the ASBA Applicant to the Public Issue Account, as the case may be, after the Prospectus is filed with the RoC, following which the Board of Directors shall Allot Equity Shares to the Allottees |
| Designated Market Maker | Guiness Securities Limited having Registered office at 216, 2 nd Floor, P.J. Towers, Dalal Street, Mumbai- 400 001, Mumbai, Maharashtra and Corporate office at Guinness House, 18, Deshapriya Park Road, Kolkata-700 026, West Bengal, India |
| Designated Stock Exchange | BSE Limited |
| Draft Prospectus | The Draft Prospectus dated March 21, 2017 filed with the BSE Limited |
| Eligible NRI | NRIs from jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein. |
| Eligible QFIs | QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened demat accounts with SEBI registered qualified depository |



| TERMS | DESCRIPTION |
|---|--|
| | participants |
| Issue/Issue size/ initial public issue/Initial Public Offer/Initial Public Offering/IPO | Public Issue of 15,00,800 Equity Shares of Rs. 10/- each of ANG Lifesciences India Limited for cash at a price of Rs. 80/- per share aggregating to Rs. 1200.64 Lakhs |
| Issue Closing date | The date on which Issue closes for subscription |
| Issue Opening date | The date on which issue opens for subscription |
| Issue Period | The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective applicants may submit their application |
| Issue Price | The price at which the Equity Shares are being issued by our Company under this Draft Prospectus being Rs. 80/- |
| Lead Manager/LM | Lead Manager to the Issue being Guinness Corporate Advisors Private Limited |
| Listing Agreement | Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the SME Platform of BSE. |
| Market Maker | Member Brokers of BSE who are specifically registered as Market Makers with the BSE SME Platform. In our case, Guinness Securities Limited is the sole Market Maker. |
| Market Maker Reservation Portion | The Reserved portion of 76,800 Equity shares of Rs. 10/- each at Rs. 80/- per Equity Share aggregating to Rs. 61.44 Lacs for Designated Market Maker in the Public Issue of ANG Lifesciences India Limited |
| Market Making Agreement | The agreement entered between our Company, Market Maker and Lead Manager dated December 05, 2016 |
| Mutual Funds | A mutual Fund registered with SEBI under SEBI (Mutual Funds) Regulations, 1996 |
| Memorandum of Understanding | The arrangement entered into on December 05, 2016 between our Company, and Lead Manager pursuant to which certain arrangements are agreed in relation to the Issue |
| Net Issue | The Net Issue (excluding the Market Maker Reservation Portion) of 14,24,000 Equity Shares of Rs.10/- each at Rs. 80/- per Equity Share aggregating to Rs. 1139.20 Lacs by ANG Lifesciences India Limited |
| 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 |
| Non-Institutional Investors / Applicant | All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors, who apply for the Equity Shares of a value of more than Rs. 200,000. |
| Prospectus | The Prospectus, filed with the RoC containing, inter alia, the Issue opening and closing dates and other information. |
| Public Issue Account/ Issue Account | Account opened with Bankers to the Issue for the purpose of transfer of monies from the Escrow Account on or after the Issue Opening Date |
| Qualified Institutional Buyers or QIBs | Public financial institutions as defined in Section 2(72) of the Companies Act, 2013, Foreign Portfolio Investor other than Category III Foreign Portfolio Investor, AIFs, VCFs, FVCIs, Mutual Funds, multilateral and bilateral financial institutions, scheduled commercial banks, state industrial development corporations, insurance companies registered with the IRDA, provident funds and pension funds with a minimum corpus of Rs. 250 million, insurance funds set up and managed by the army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, Government of India, eligible for Bidding and does not include FVCIs and multilateral and bilateral institutions. |
| Registrar/Registrar to the Issue | Registrar to the Issue being Big Share Services Private Limited |
| Retail Individual Investor(s) | Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs. 2,00,000 |
| Self-Certified Syndicate Banks or SCSBs | The banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services in |



| TERMS | DESCRIPTION |
|------------------------|---|
| | relation to ASBA, including blocking of an ASBA Account in accordance with the SEBI Regulations and a list of which is available on www.sebi.gov.in/pmd/scsb.pdf or at such other website as may be prescribed by SEBI from time to time. |
| Underwriter | Guinness Corporate Advisors Private Limited |
| Underwriting Agreement | The Agreement among the Underwriter and our Company dated December 05, 2016 |
| Working Days | All trading days of Stock Exchanges excluding Sundays and Bank Holidays in accordance with SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 |

COMPANY/INDUSTRY RELATED TERMS/TECHNICAL TERMS

| TERMS | DESCRIPTION |
|-------|--|
| API | Active Pharmaceutical Ingredients |
| GMP | Good Manufacturing Practises |
| GLP | Good Laboratory Practises |
| ISO | International Organisation for Standardization |
| R & D | Research and Development |
| SOP | Standard Operating Procedures |
| WHO | World Health Organisation |

ABBREVIATIONS

| TERMS | DESCRIPTION |
|--------------|---|
| AGM | Annual General Meeting |
| AIF | Alternative Investment Fund |
| AS | Accounting Standards issued by the Institute of Chartered Accountants of India |
| A. Y. | Assessment Year |
| B. A | Bachelor of Arts |
| B.Com | Bachelor of Commerce |
| BG/LC | Bank Guarantee / Letter of Credit |
| CAGR | Compounded Annual Growth Rate |
| C. A | Chartered Accountant |
| CDSL | Central Depository Services (India) Limited |
| CEO | Chief Executive Officer |
| CFO | Chief Financial Officer |
| C. S. | Company Secretary |
| DP | Depository Participant |
| ECS | Electronic Clearing System |
| EGM / EOGM | Extra Ordinary General Meeting |
| EPS | Earning Per Equity Share |
| ESOP | Employee Stock Option Plan |
| EMD | Earnest Money Deposit |
| FCNR Account | Foreign Currency Non Resident Account |
| FDI | Foreign Direct Investments |
| FEMA | Foreign Exchange Management Act, 1999, as amended from time to time and the regulations issued there under. |
| FII | Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India. |



| TERMS | DESCRIPTION |
|----------------------------|--|
| FIs | Financial Institutions |
| FIPB | Foreign Investment Promotion Board, Department of Economic Affairs, Ministry of Finance, Government of India. |
| FPIs | 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 intermediary in terms of the provisions of the SEBI Act,1992 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 |
| FY / Fiscal | Financial Year |
| FVCI | Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000. |
| GAAP | Generally Accepted Accounting Principles |
| GDP | Gross Domestic Product |
| GIR Number | General Index Registry Number |
| GOI/ Government | Government of India |
| H.P. | Himachal Pradesh |
| HUF | Hindu Undivided Family |
| ICAI | Institute of Chartered Accountants of India |
| ICSI | Institute of Company Secretaries of India |
| INR / Rs./ Rupees | Indian Rupees, the legal currency of the Republic of India |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| IPO | Initial Public Offering |
| IFRS | International Financial Reporting Standards |
| ISIN | International Securities Identification Number |
| M. A | Master of Arts |
| M.B.A | Master of Business Administration |
| M. Com | Master of Commerce |
| NAV | Net Asset Value |
| No. | Number |
| NR | Non Resident |
| NSDL | National Securities Depository Limited |
| P/E Ratio | Price/Earnings Ratio |
| PAN | Permanent Account Number |
| RBI | The Reserve Bank of India |
| RBI Act | The Reserve Bank of India Act, 1934, as amended from time to time |
| ROC/Registrar of Companies | The Registrar of Companies |
| RONW | Return on Net Worth |
| RTA | Registrar and Transfer Agent |
| Sec | Section |
| SME | Small And Medium Enterprises |
| USD/ \$/ US\$ | The United States Dollar, the legal currency of the United States of America |
| VCF | Venture Capital Fund |



PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

FINANCIAL DATA

Unless stated otherwise, the financial data in this Draft Prospectus is extracted from the financial statements of our Company for the fiscal years 2012, 2013, 2014, 2015 and 2016 and for the period ended September 30, 2016 and the restated financial statements of our Company for the fiscal years 2012, 2013, 2014, 2015 and 2016 and for the period ended September 30, 2016 prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, 2009, as stated in the report of our Auditors and the SEBI Regulations and set out in the section titled "*Financial Information*" on page 107. 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 Regulations. Our fiscal years commence on April 1 and end on March 31. In this Draft 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, US GAAP and IFRS. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein and we urge you to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

CURRENCY OF PRESENTATION

All 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. Dollar(s)" are to United States Dollars, if any, the official currency of the United States of America. This Draft Prospectus contains translations of certain U.S. Dollar and other currency amounts into Indian Rupees (and certain Indian Rupee amounts into U.S. Dollars and other currency amounts). These have been presented solely to comply with the requirements of the SEBI Regulations. These translations should not be construed as a representation that such Indian Rupee or U.S. Dollar or other amounts could have been, or could be, converted into Indian Rupees, at any particular rate, or at all.

In this Draft Prospectus, throughout all figures have been expressed in Lacs, except as otherwise stated. The word "Lacs", "Lac", "Lakhs" or "Lakh" means "One hundred thousand".

Any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Conditions and Results of Operation*" and elsewhere in this Draft Prospectus, unless otherwise indicated, have been calculated based on our restated financial statement prepared in accordance with Indian GAAP.

INDUSTRY & MARKET DATA

Unless otherwise stated, Industry & Market data used throughout this Draft Prospectus has been obtained from internal Company reports and Industry publications and the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this Draft Prospectus is reliable, it has not been independently verified. Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources.

The extent to which the market and industry data used in this Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.



DEFINITIONS

For definitions, please see the chapter titled “*Definitions and Abbreviations*” beginning on page 2 of this Draft Prospectus. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 217 of this Draft Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

INDUSTRY & MARKET DATA

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The extent to which the market and industry data used in this Draft Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data.



FORWARD LOOKING STATEMENTS

Our Company has included statements in this Draft Prospectus, that contain words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "shall", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will continue", "will pursue" and similar expressions or variations of such expressions that are "forward-looking statements". However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding our Company objectives, plans or goals, expected financial condition and results of operations, business, plans and prospects are also forward-looking statements.

These forward-looking statements include statements as to business strategy, revenue and profitability, planned projects and other matters discussed in this Draft Prospectus regarding matters that are not historical fact. These forward-looking statements contained in this Draft Prospectus (whether made by us or any third party) involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from expectations include, among others General economic conditions, political conditions, regulatory changes pertaining to the relevant industry scenario in India, technological changes, our exposure to market risks which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, etc.

Further, the other important factors that could cause actual results to differ materially from expectations are as follows:

- Our ability to successfully implement our strategy, our growth and expansion, technological changes.
- Our exposure to market risks that have an impact on our business activities or investments.
- The monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and Globally.
- Changes in foreign exchange rates or other rates or prices;
- Our failure to keep pace with rapid changes in the industry;
- Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
- Changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry.
- Changes in the value of the Rupee and other currencies.
- The occurrence of natural disasters or calamities.
- Changes in political conditions in India.
- The outcome of legal or regulatory proceedings that we are or might become involved in;
- Our ability to compete effectively, particularly in new markets and businesses;
- Our dependence on our Key Management Personnel and Promoter;
- Conflicts of interest with affiliated companies, the Group Entities and other related parties;
- Other factors beyond our control; and
- Our ability to manage risks that arise from these factors.

For further discussion of factors that could cause Company's actual results to differ, see the section titled "*Risk Factors*" on page 11 of this Draft Prospectus. By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Our Company, the Lead Manager, and their respective affiliates do not have any obligation to, and do not intend 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, our Company, and the Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange.



SECTION II - RISK FACTORS

An Investment in equity involves higher degree of risks. Prospective investors should carefully consider the risks described below, in addition to the other information contained in this Draft Prospectus before making any investment decision relating to the Equity Shares. The occurrence of any of the following events could have a material adverse effect on the business, results of operation, financial condition and prospects and cause the market price of the Equity Shares to decline and you may lose all or part of your investment.

Prior to making an investment decision, prospective investors should carefully consider all of the information contained in this Draft Prospectus, including the sections titled "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the "Financial Information" included in this Draft Prospectus beginning on pages 68, 137 & 107 respectively. The occurrence of any of the following events could have a material adverse effect on our business, results of operation, financial condition and prospects and cause the market price of the Equity Shares to fall significantly.

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.

Materiality

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

- *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 the future.*

The risk factors are as envisaged by the management. Wherever possible, the financial impact of the risk factors has been quantified.

INTERNAL RISK FACTORS

1. *There are certain outstanding legal proceedings involving our Company, Promoters and our Directors. Failure to defend these proceedings successfully may have an adverse effect on our business prospects, financial condition, result of ongoing operations and reputation.*

There are certain outstanding legal proceedings involving our Company, our Promoters and our Directors. These proceedings are pending at different levels before various courts, tribunals, enquiry officers etc. For further details relating to legal proceedings initiated against of the chapter titled "Outstanding Litigations and Material Developments" beginning on page 148 of this Draft Prospectus.

Brief details of such outstanding litigation as of the date of this Draft Prospectus are set forth below and the amounts involved in these litigations have been disclosed to the extent they are ascertainable/quantifiable:

Litigations involving our Company

| Nature of Cases | No. of outstanding cases | Amount* (Rs. in Lacs) |
|---------------------------------------|---------------------------------|------------------------------|
| Litigations involving Criminal Laws | 4 | 95.06 |
| Litigations involving Tax Liabilities | 2 | 9.87 |

**to the extent quantifiable*



Litigation involving our Promoters/Directors

| Nature of Cases | No. of outstanding cases | Amount * (Rs. in Lacs) |
|---------------------------------------|--------------------------|------------------------|
| Litigations involving Tax Liabilities | 5 | 23.35 |

**to the extent quantifiable*

Note: The amounts mentioned at above tables may be subject to additional interest rates being levied by the concerned authorities for delay in making payment. Amount of interest that may be levied is unascertainable as on the date of this Draft Prospectus

Any developments in the proceedings, such as a change in Indian law or rulings against us, our Directors and/ or our Promoters by appellate courts or tribunals may constrain us to make provisions in our financial statements that could increase our expenses and current liabilities and same may result in an adverse material impact on our business, goodwill, result of operations and financial condition. For further details please refer to the chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 148 of this Draft Prospectus.

2. *Our Company operates under several statutory and regulatory permits, licenses and approvals. Failure to obtain and/or renew any approvals or licenses in future may have an adverse impact on our business operations.*

Our Company requires several statutory and regulatory permits, licenses and approvals to operate the business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Further, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits/ licenses/ approvals. Failure by our Company to renew, maintain or obtain the required permits, licenses or approvals, or cancellation, suspension or revocation of any of the permits, licenses or approvals which may result in the interruption of our Company’s operations and may have a material adverse effect on the business. For details please refer to Chapter titled “*Government and Other Approvals*” beginning on page 155 of this Draft Prospectus.

3. *We, being a pharmaceutical company, operate in a highly regulated and controlled industry. Any change in regulatory environment may have an impact on the business of the Company.*


We being a pharmaceutical company operate in an industry which is highly regulated and controlled. The industry has extensive regulations pertaining to research, testing, manufacturing, quality standards, selling and marketing of pharmaceutical products etc. The Company keeps itself abreast of the various developments relating to the regulatory environment and gears itself in order to comply with such regulatory changes, application and the renewal of regulatory approvals. However, in case the Company is unable to adapt itself to such regulatory changes, obtain the necessary approvals / renewals for all our products the business of the Company may be impacted adversely.


4. *We are yet to receive certain registrations in connection with the protection of our intellectual property rights, especially trademarks relating to our products. Any failure to protect our intellectual property rights could adversely affect our competitive position, business, financial condition and profitability.*

We have applied for certain registrations in connection with the protection of intellectual property rights, including trademarks, which are currently pending. The registration of any intellectual property right is a time-consuming process, and there can be no assurance that any such registration will be granted. In the absence of such registration, competitors or other companies may challenge the validity or scope of our intellectual property. Unless our trademarks are registered, we may only get passing off relief for our Trademarks, if used by others, which could materially and adversely affect our brand image, goodwill and business. Similarly, in case these registrations are rejected, our competitors may start marketing the



products resulting in us losing out on market share and first mover protection, which could adversely affect our competitive position, business, financial condition and profitability. For more details please refer to the chapter “Government and Other Approvals” on page 155 of this Draft Prospectus.

5. ***Logo of our Company  is not registered under Trademark authorities. We are unable to assure that the future viability or value of any of our intellectual property or that the steps taken by us to protect the proprietary rights of our Company will be adequate.***

Our Company has made application for registration of our logo  under trademark authorities, which is under process of registration. The registration for the said trademark in our name is important to retain our brand equity. If our application for registration is not accepted or if the oppositions filed against our trademark application if any, are successful, we may lose the statutory protection available to us under the Trade Marks Act, 1999 for such trademark. Further, we cannot assure that our pending application would be granted registration or if granted registration, will not be invalidated or circumvented. We are unable to assure that the future viability or value of any of our intellectual property or that the steps taken by us to protect the proprietary rights of our Company will be adequate. For further details please refer to chapter titled ‘Government and Other Approvals’ on page 155 of this Draft Prospectus.

6. ***Our Company does not own the premises of our Registered Office.***

Our Registered Office is situated at Darbara Complex, SCO 113, First Floor, District Shopping Centre B Block, Ranjit Avenue, Amritsar – 143 001, Punjab, is on leased premises and is not owned by us. As per the lease agreements, any breach of the terms / non renewal of the license agreement may require us to vacate the said premises which may cause disruption in our corporate affairs and business and impede our effective operations and thus adversely affect our profitability. For more information, please refer to chapter titled “Our Business—Properties” on page 74 of this draft Prospectus.

7. ***Our Promoters play key role in our functioning and we heavily rely on their knowledge and experience in operating our business and therefore, it is critical for our business that our Promoters remain associated with us.***

We benefit from our relationship with our Promoters and our success depends upon the continuing services of our Promoters who have been responsible for the growth of our business and are closely involved in the overall strategy, direction and management of our business. Our Promoters have been actively involved in the day to day operations and management since the incorporation of the Company. Accordingly, our performance is heavily dependent upon the services of our Promoters. If our Promoters are unable or unwilling to continue in their present position, we may not be able to replace them easily or at all.

The loss of their services could impair our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

8. ***We are dependent on our management team for success whose loss could seriously impair the ability to continue to manage and expand business efficiently.***

Our success largely depends on the continued services and performance of our management and other key personnel. The loss of service of the management team and staff could seriously impair the ability to continue to manage and expand the business efficiently. Further, the loss of any of the senior management or other key personnel may adversely affect the operations, finances and profitability of our Company. Any failure or inability of our Company to efficiently retain and manage its human resources would adversely affect our ability to implement new projects and expand our business.

9. ***Our success is dependent on the quality control processes and any failure to maintain the quality of our products may affect our reputation and business.***

We believe that our success is dependent on our quality control processes. Our quality assurance department ensures quality control at every stage of production, packaging and dispatch. We believe that



we have built strong relationships with our customers due to the quality of our products which has translated into operational growth. In the event we are unable to maintain our quality control processes, for any reason whatsoever, our business, reputation and results of operations would be adversely affected.

10. *Any delay in production at, or shutdown of, any of our manufacturing facilities, could adversely affect our business, results of operations and financial condition.*

The success of our manufacturing activities depends on, among others, the productivity of our workforce, compliance with regulatory requirements and the continued functioning of our manufacturing processes and machinery. Disruptions in our manufacturing activities could delay production or require us to shut down the affected manufacturing facility, which could adversely affect our finance and operations.

11. *Any fluctuations in prices of raw materials or shortage in supply of raw material for manufacturing our products, could adversely impact our business.*

Our Company is dependent mainly on the various raw materials and packaging materials for the manufacture of its products. Our Company is exposed to upward fluctuations in the prices of various raw materials and packing materials, as well as its availability, as we do not enter into any supply agreements with our suppliers and all raw materials are bought by our Company from various suppliers on order to order basis. Any upward fluctuation in the prices of the major raw materials or shortage in supply of any major raw material or any increase would result in increase of cost of production which may adversely impact the business of the Company. Further, with a view to reduce the cost of production and insulate itself from future rise in prices or mitigate the risk of shortage of raw material, the Company has always been innovative in sourcing of raw materials and packaging materials, and will continue to maintain this approach. In case the Company is not able to pass on any such increase to the consumers because of competition or otherwise, it may affect the profitability of the Company.

12. *Failure to effectively manage labour or failure to ensure availability of sufficient labour could affect the business operations of the Company.*

Our business activities are dependent on availability of skilled and unskilled labour. Non-availability of labour at any time or any disputes with them may affect our production schedule and timely delivery of our products to customers which may adversely affect our business and result of operations. Though we have not faced any labour problem in the past we cannot assure that we will not experience disruptions to our operations due to disputes or other problems with our work force, which may lead to strikes, lock-outs or increased wage demands. Such issues could have adverse effect on our business, and results of operations.

13. *Our funding requirements and proposed deployment of the issue proceeds are based on management estimates and have not been independently appraised by any bank or financial institution and actual cost may vary compared with the estimated amount.*

Our funding requirements and the proposed deployment of the proceeds of the Issue are based on management estimates, quotations from suppliers and on our current business plan and have not been appraised by bank or financial institution. In view of the competitive and dynamic nature of our business, we may have to revise our expenditure and fund requirements as a result of variations including in the cost structure, changes in estimates and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the planned expenditure and fund requirement and increasing or decreasing the expenditure for a particular purpose from its planned expenditure at the discretion of our board. In addition, schedule of implementation as described herein are based on management's current expectations and are subject to change due to various factors some of which may not be in our control. The deployment of the funds towards the objects of the issue is entirely at the discretion of the Board of Directors/Management and is not subject to monitoring by external independent agency. However, the deployment of funds is subject to monitoring by our Audit Committee. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.



- 14. *The capacity of our current plant at Himachal Pradesh unit is not fully utilized. Consecutively, if there is also any under-utilization of our capacities in next three years, it could affect our ability to fully absorb fixed costs and thus may adversely impact our financial performance.***

The capacity of our current plant at Village Kishanpura, Baddi, Himachal Pradesh is not fully utilized. Even though the capacity utilization of our plants has been increasing on a year on year basis in the last three years, the capacities of our product 'Dry Injectable Powder' at our current Plant has not been fully utilized over the last three financial years. Further, we propose to fully utilize our production capacities in next three year based on our estimates of market demand and profitability. In the event of non-materialization of our estimates and expected order flow for our product and/or failure of optimum utilization of our capacities, due to factors including adverse economic scenario, change in demand or for any other reason, our capacities may not be fully utilized thereby impairing our ability to fully absorb our fixed cost and may adversely impact our financial performance. For details regarding the existing installed and utilised capacity, kindly refer to "Our Business – Capacity and Capacity Utilization" on page 70 of this Draft Prospectus.

- 15. *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 you 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 is also 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 analysis of market and other data or the strategies we use or plans in future to use will be successful under various market conditions.

- 16. *Our insurance coverage may not adequately protect us against certain operational hazards and this may have a material adverse effect on our business.***

Our Company has, in the ordinary course of business, availed insurance cover for certain risks. While we believe that the insurance coverage we maintain would reasonably be adequate to cover all normal risks associated with the operation of our business, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time. To the extent that we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, or the insurance policy covering such risk is not honoured, our results of operations may be adversely affected. For details of our insurance policies please refer to the section titled "Our Business" on page 68 of this Draft Prospectus.

- 17. *We have had experienced growth in the recent past years and if we are unable to sustain or manage our growth, our business, result of operations and financial condition may be adversely affected.***

We have experienced significant growth in the recent past years. For FY 2015-16 our revenue from operations is Rs. 5492.30 Lakhs as compared to Rs. 3684.16 Lakh for FY 2014-15. Our operations have also grown considerably over the past two years. We may not be able to sustain our rate of growth due to various reasons such as decreased demand, increased competition, non availability of raw material or labour, general slowdown in the economy. A failure to sustain our growth may have an adverse effect on our business and result of operations. Though we are embarking on a growth strategy and focusing on increasing operational efficiencies, such strategy may place pressure on our overall operational efficiencies, and financial, accounting and operating system. We can not assure that our future performance or growth strategy will be successful. Our failure to manage growth effectively may have an adverse effect on our business, result of operations and financial condition.



18. We have entered into certain related party transactions and may continue to do so.

We have entered into related party transactions with our Promoters, its promoter group members/ entities and Directors. While we believe that all such transactions have been conducted on the arms length basis, however it is difficult to ascertain whether more favorable terms would have been achieved had such transactions been entered with unrelated parties. Furthermore, it is likely that we may enter into related party transactions in the future. For details of these transactions, please refer to section titled "Related Party Transactions" at page 105 of this Draft Prospectus.

19. Our Group entity has posted negative profits in the past.

One of our Group entity Srishti Interiors, a proprietary concern of our Promoter, Mr. Rajesh Gupta has posted negative profits in the past. The details are as mentioned below:

| Particulars | March 31, 2015 | March 31, 2014 | March 31, 2013 |
|-------------------|----------------|----------------|----------------|
| Srishti Interiors | (32.11) | (90.20) | (25.98) |

20. Conflict of interest may arise due to common business activities by our Company and our Group Company ANG Healthcare India Private Limited

Our Group Company ANG Healthcare India Private Limited is authorised to carry on business activities similar to our business. As a result conflict of interest may arise in allocating business opportunities between our Company and our Group Company in circumstances where our interests diverge. Although ANG Healthcare India Private Limited has not commenced its commercial operations yet there is no assurance that our Company and our group Company will not compete with each other for any existing or future business opportunities. Any such present or future conflicts could have material adverse effect on our reputation, business, result of operations and financial condition.

21. Our Statutory Auditors have qualified audit report as of and for the year ended March 31, 2013 and March 31, 2014.

Our Statutory Auditors Bhupinder Singh & Associates, Chartered Accountants, have qualified the audit report on our financial statements as of and for the year ended March 31, 2013 and March 31, 2014 as mentioned below:

"The balances of the trade receivables, trade payables and loans and advances are subject to confirmation/reconciliation and subsequent adjustments, if any. As such we are unable to express any opinion as to the effect thereof on the financial statements for the year.

The consequential effect of the above on assets and liabilities as at March 31, 2013 & March 31, 2014 and on loss for the year ended 31st March, 2013 & 31st March, 2014 is not ascertainable."

The financial impact of the said qualifications is not quantifiable.

22. We have reported negative cash flows.

The detailed break up of cash flows is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years and which could affect our business and growth:

| Particulars | As at September 30, 2016 | (Rs. In Lacs) As at 31 st March | | | | |
|---|--------------------------------|---|--------|--------|----------|--------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Net Cash Flow from/(used in) Operating Activities | 265.12 | 185.56 | 312.62 | 357.90 | (759.14) | 750.63 |



| | | | | | | |
|---|----------|----------|----------|----------|----------|----------|
| Net Cash Flow from/(used in) Investing Activities | (119.83) | (291.86) | (231.72) | (213.74) | (216.66) | (211.33) |
| Net Cash Flow from/(used in) Financing Activities | (71.84) | 162.71 | (88.61) | (142.64) | 993.17 | (547.37) |

If the negative cash flow trend persists in future, our Company may not be able to generate sufficient amounts of cash flow to finance our Company's working capital, make new capital expenditure, pay dividends, repay loans, make new investments or fund other liquidity needs which could have a material adverse effect on our business and results of operations.

- 23. *Our Company has availed the 15% Central Capital Subsidy Scheme 2003 and failure to comply with the terms of the same may inter-alia lead to the amount of subsidy being repayable and it would adversely affect our financial conditions.***

Our Company has availed certain subsidy benefits under 15% Central Capital Subsidy Scheme 2003 ("the Subsidy Scheme") from Government of India. As per the terms of the Subsidy Scheme, the Government has sanctioned the subsidy of Rs. 30.00 Lac to our Company subject to certain conditions such as shifting the whole or part location of the unit, submission of Annual Progress Report to the Ministry of Commerce etc. In the event of the non compliance of the conditions laid down in the sanction order of subsidy by our Company, we will require to repay the subsidy to the Government. The same shall adversely affect the financial condition and business prospects of the Company.

- 24. *We are subject to the restrictive covenants of banks in respect of the Loans/ Credit Limits and other banking facilities availed from them.***

Our financing arrangements with contain restrictive covenants whereby we are required to obtain approval from our lender Punjab National Bank, regarding, among other things such as major changes in share capital, creation of any other charge, not to issue any personal guarantee by the guarantors, formulate any scheme of merger/amalgamation/acquisition/reconstitution, implement any schemes of expansion/modernisation/ diversification/ renovation, substantial change in management of the company, extending finance to associate concerns etc. There can be no assurance that such consents will be granted or that we will be able to comply with the financial covenants under our financing arrangements. In the event we breach any financial or other covenants contained in any of our financing arrangements, we may be required under the terms of such financing arrangements to immediately repay our borrowings either in whole or in part, together with any related costs. This may adversely impact our results of operations and cash flows. For further details on the Cash Credit Limits and other banking facilities, please refer chapter titled "Statement of Financial Indebtedness" on page 133 of this Draft Prospectus.

- 25. *We have not obtained 'Consent' /'No objection Certificate' from our bankers for this IPO pursuant to the terms of agreements entered with them while obtaining financing facilities.***

Pursuant to the Financing Agreements entered into by us with the Punjab National Bank, we require to obtain 'Consent'/'No Objection Certificate' from Punjab National Bank to undertake certain corporate actions, including this IPO. Though, we have informed our bankers about our intention to undertake this IPO, we have not yet obtained written 'Consent'/'No Objection Certificate' from our bankers for undertaking this IPO, and the same is awaited.

While our Company intends to obtain all the necessary consents in relation to this IPO from our bankers prior to this IPO, undertaking this IPO without obtaining the Banker's consents, may constitute a breach of the Financing Agreements. Any breach of such Financing Agreements may enable our bankers to revise terms of our Financial Arrangements. If our obligations under the Financing Agreements are accelerated, our financial condition and operations could adversely be affected.

- 26. *Our Company has obtained unsecured loans, which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our business operations and financial condition of our Company.***



As on September 30, 2016 our Company has unsecured loans aggregating to Rs.231.65 Lacs which are repayable on demand. For further details of these unsecured loans, please refer to chapter titled “*Financial Information*” beginning on page 107 of this Draft Prospectus. In case of any demand from lenders for repayment of such unsecured loans, the resultant cash outgo, may adversely affect our business operations and financial position of our Company.

27. *Our lender, Punjab National Bank, has rescheduled the loans availed by us, aggregating to Rs. 836.26 Lacs including the Funded Interest vide letter dated January 05, 2013.*

Company’s borrowings from Punjab National Bank have been rescheduled alongwith payment terms pursuant to request for rescheduling being made by our Company. During the relevant period, our Company’s business was adversely affected by restructuring of the board and overall industrial slowdown. Consequently our Company made an applications to Punjab National Bank for the reschedulement of the said loans and our lender, Punjab National Bank, has rescheduled the existing term loans availed by us, aggregating to Rs. 836.26 Lacs including sanction of Funded Interest Term Loan of Rs. 249.42 Lacs vide letter dated January 05, 2013. For further details in this regard, please see the chapters titled “*History and Certain Corporate Matters*” and “*Statement of Financial Indebtedness*” on pages 83 and 133 of this Draft Prospectus.

28. *Our operations are subject to high working capital requirements. Our inability to obtain and/or maintain sufficient cash flow, credit facilities and other sources of funding, in a timely manner, or at all, to meet our requirement of working capital or pay our debts, could adversely affect our operations*

Our business requires significant amount of working capital. In many cases, significant amount of our working capital is required for purchasing and maintaining of stock of primary raw materials. These raw materials are purchased locally. Though, presently we have availed working capital limits to the extent of Rs. 500.00 Lacs from our lenders, we may need to incur additional indebtedness in the future to satisfy our working capital needs. All these factors may result in increase in the quantum of our current assets and short-term borrowings. Our inability to obtain and/or maintain sufficient cash flow, credit facilities and other sources of funding, in a timely manner, or at all, to meet our requirement of working capital or pay our debts, could adversely affect our financial condition and results of operations.

29. *We have not made any alternate arrangements for meeting our working capital requirements mentioned in 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. Operations and financial performance.*

As on date we have not made any alternate arrangements for meeting our working capital requirement mentioned in the Objects of the Issue We meet our working capital requirement through bank finance and internal accruals. Any shortfall in our internal accruals and our inability to raise debt in future would result in non availability to meet the working capital requirement, which in turn will affect our financial condition and result 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 IPO 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 50 of this draft prospectus.

30. *The Promoter and Promoter Group will continue to exercise control post completion of the Issue and will have considerable influence over the outcome of matters.*

Upon completion of this Issue, our Promoters and Promoter Group will continue to own a majority of our Equity Shares. As a result, our Promoters will have the ability to exercise significant influence over all matters requiring shareholders’ approval. Our Promoters will also be in a position to influence any shareholder action or approval requiring a majority vote, except where they may be required by applicable law to abstain from voting. This control could also delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our



Company, or discourage a potential acquirer from obtaining control of our Company even if it is in the best interests of our Company. The interests of our Promoters could conflict with the interests of our other equity shareholders, and the Promoters could make decisions that materially and adversely affect your investment in the Equity Shares.

31. *The Promoters and Directors hold Equity Shares in our Company and are therefore interested in the Company's performance in addition to their remuneration and reimbursement of expenses.*

Certain of our Directors and our Promoters are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. We cannot assure you that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Promoters may take or block actions with respect to our business which may conflict with the best interests of the Company or that of minority shareholders. For details on the interest of our Promoters and Directors of our Company please refer chapter titled “Our Management” at page 87 of this Draft Prospectus.

32. *Our company has not complied certain provisions of The Companies Act, 2013 such non compliances may attract penalties.*

Our Company has not complied with certain provisions of Section 185 of the Companies Act, 2013 while giving loan to a Sole proprietary firm owned by our Promoter Mr. Rajesh Gupta. Though we have not received any notice for such non compliance, we cannot assure that no penalties will be imposed by relevant authorities in this respect which may affect our financial condition.

33. *We do not have a track record for payment of dividend on Equity Shares.*

We have not declared any dividend on our Equity Shares since inception as we had been deliberately pursuing the policy of covering back our profits to fund our expansion plans. The future payment of dividends, if any, would be based on the then available distributable profits and the recommendations of our Board of Directors.

34. *We may not be successful in implementing our business strategies.*

The success of our business depends substantially on our ability to implement our business strategies effectively or at all. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

35. *Some of the transfer deeds in relation to the Company are misplaced and currently not traceable.*

The transfer deed in relation to transfer of shares of our Company dated September 02, 2011 for 10,000 Equity Shares from Mr. Rajesh Gupta to Ms. Saruchi Gupta and dated October 15, 2012 for 2000 Equity Shares from Mr. Rajesh Gupta to various public shareholders, were misplaced while transporting them for certain purposes. Further, while details of such transfers have been included in the register of transfer and register of members maintained by the Company in accordance with the provisions of Companies Act, we cannot assure you that these deeds will be available in the future or that we will not be subject to any penalty imposed by the competent regulatory authority in this respect.

36. *The requirements of being a listed company may strain our resources.*

As a listed company, we will incur significant legal, accounting, corporate governance and other expenses



that we did not incur as an unlisted company. We will be subject to the SME Listing Agreement with the BSE Limited, which require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as timely as other listed companies. As a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, for which significant resources and management overview will be required.

RISKS RELATING TO THE EQUITY SHARES

37. *Any future issue of Equity Shares may dilute the shareholding of investors and sales of Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares.*

Any future equity issues by us, including in a primary offering, may lead to the dilution of investors' shareholdings in us. Any future equity issuances by us or sales of its Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

38. *Our ability to pay any dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.*

The amount of our future dividend payments, if any, will depend upon our Company's future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. There can be no assurance that our Company will be able to pay dividends.

39. *The price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Issue Price, or at all.*

Prior to the offer, there has been no public market for our Equity Shares, and an active trading market on the SME Platform of BSE. The Issue Price of the Equity Shares may bear no relationship to the market price of the Equity Shares after the Issue. The market price of the Equity Shares after the Issue may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the Education Sector, developments relating to India and volatility in the Exchange and securities markets elsewhere in the world. However, the LM will arrange for compulsory market making for a period of 3 years from the date of listing as per the regulations applicable to the SME Platforms under SEBI (ICDR) Regulations, 2009.

40. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of BSE in a timely manner, or at all.*

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, we are not required to obtain any in-principle approval for listing of shares issued. We have only applied to BSE Limited to use its name as the Stock Exchange in this offer document for listing our shares on the SME Platform of BSE. In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the SME Platform of BSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

41. *The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.*

Prior to this Issue, there has been no public market for our Equity Shares. Guinness Securities Limited is acting as Designated Market Maker for the Equity Shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of



operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could materially affect the price of our Equity Shares. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue. For further details of the obligations and limitations of Market Makers please refer to the section titled "*General Information – Details of the Market Making Arrangement for this Issue*" on page 37 of this Draft Prospectus.

42. *There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.*

Following the Issue, we will be subject to a daily "circuit breaker" imposed by BSE, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The BSE may not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

EXTERNAL RISK FACTORS

43. *Political, economic and social changes in India could adversely affect our business.*

Our business, and the market price and liquidity of our Company's shares, may be affected by changes in Government policies, including taxation, social, political, economic or other developments in or affecting India could also adversely affect our business. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms including significantly relaxing restrictions on the private sector. In addition, any political instability in India may adversely affect the Indian economy and the Indian securities markets in general, which could also affect the trading price of our Equity Shares.

44. *Our business may be adversely affected by competition laws in India and any adverse application or interpretation of the Competition Act could adversely affect our business.*

The Competition Act, 2002, as amended (the "Competition Act"), regulates practices having an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition is considered void and results in the imposition of substantial monetary penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services by way of allocation of geographical area, type of goods or services or number of clients in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise.



The applicability or interpretation of the Competition Act to any merger, amalgamation or acquisition proposed or undertaken by us, or any enforcement proceedings initiated by CCI for alleged violation of provisions of the Competition Act may adversely affect our business, financial condition or results of operation.

45. *The nationalised 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 of this tax regime may have on our operations.

46. *Our business is subject to a significant number of tax regimes and changes in legislation governing the rules implementing them or the regulator enforcing them in any one of those jurisdictions could negatively and adversely affect our results of operations.*

The revenues recorded and income earned is taxed on differing bases, including net income actually earned, net income deemed earned and revenue-based tax withholding. The final determination of the tax liabilities involves the interpretation of local tax laws as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. Changes in the operating environment, including changes in tax laws, could impact the determination of the tax liabilities of our Company for any year.

47. *Natural calamities and force majeure events may have an adverse impact on our business.*

Natural disasters may cause significant interruption to our operations, and damage to the environment that could have a material adverse impact on us. The extent and severity of these natural disasters determines their impact on the Indian economy. Prolonged spells of deficient or abnormal rainfall and other natural calamities could have an adverse impact on the Indian economy, which could adversely affect our business and results of operations.

48. *Our transition to IFRS reporting could have a material adverse effect on our reported results of operations or financial condition.*

Our Company may be required to prepare annual and interim financial statements under IFRS in accordance with the roadmap for the adoption of, and convergence with, the IFRS announced by the Ministry of Corporate Affairs, Government of India through a press note dated January 22, 2010 ("IFRS Convergence Note"). The Ministry of Corporate Affairs by a press release dated February 25, 2011 has notified that 32 Indian Accounting Standards are to be converged with IFRS. The date of implementation of such converged Indian accounting standards has not yet been determined and will be notified by the Ministry of Corporate Affairs after various tax related issues are resolved. We have not yet determined with certainty what impact the adoption of IFRS will have on our financial reporting. Our financial condition, results of operations, cash flows or changes in shareholders' equity may appear materially different under IFRS than under Indian GAAP or our adoption of IFRS may adversely affect our reported results of operations or financial condition. This may have a material adverse effect on the amount of income recognized during that period.

49. *Restrictions on foreign investment limit our ability to raise debt or capital outside India.*

Indian laws constrain our ability to raise capital outside India through the issuance of equity or convertible debt securities and restrict the ability of non-Indian companies to invest in us. Foreign investment in, or an acquisition of, an Indian company requires approval from the relevant government authorities in India, including the Reserve Board of India and the Foreign Investment Promotion Board.

50. *Any downgrading of India's debt rating by a domestic or international rating agency could*



negatively impact our business.

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or 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 is available. This could have an adverse effect on our financial results and business prospects, ability to obtain financing for capital expenditures and the price of our Equity Shares.

51. *Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.*

Terrorist attacks and other acts of violence or war may adversely affect the Indian markets on which our Equity Shares will trade. These acts may result in a loss of business confidence, make travel and other services more difficult and have other consequences that could have an adverse effect on our business. In addition, any deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability which could adversely affect the price of our Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse impact on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the market price of our Equity Shares.

52. *Third party statistical and financial data in this Draft Prospectus may be incomplete or unreliable.*

We have not independently verified any of the data from industry publications and other sources referenced in this Draft Prospectus and therefore cannot assure you that they are complete or reliable. Discussions of matters relating to India, its economies or the industries in which we operate in this Draft Prospectus are subject to the caveat that the statistical and other data upon which such discussions are based may be incomplete or unreliable.

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

A majority of the provisions and rules under the Companies Act, 2013 have 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 provides for, among other things, changes to the regulatory framework governing the issue of capital by companies, corporate governance, audit procedures, corporate social responsibility, specific compliance requirements such as obtaining prior approval from audit committee, board of directors and shareholders for certain related party transactions and the requirements for independent directors, director's liability, class action suits, and the inclusion of women directors on the boards of companies. The Companies Act, 2013 is expected to be complemented by a set of rules that shall set out the procedure for compliance with the substantive provisions of the Companies Act, 2013. In the absence of such rules, it is difficult to predict with any degree of certainty the impact, adverse or otherwise, of the Companies Act, 2013 on the issue, and on the business, prospects and results of operations of the Company.



Prominent Notes:

1. Public Issue of 15,00,800 Equity Shares of face value of Rs.10 each of ANG Lifesciences India Limited (“the Company” or “the Issuer” or “ANG” or “ALIL”) for cash at a price of Rs. 80.00 per Equity Share (including a share premium of Rs. 70.00 per Equity Share) (“Issue Price”) aggregating to Rs. 1200.64 Lacs (“the Issue”) of which, 76,800 Equity Shares of face value of Rs. 10/- each will be reserved for subscription by market maker to the Issue (The market Maker reservation portion). The Issue less the Market Maker Reservation Portion i.e. Issue of 14,24,000 Equity Shares of Rs. 10.00 each at an Issue price of Rs. 80.00 per equity share is hereinafter referred to as the “net issue”. The Issue and the Net Issue will constitute 28.95% and 27.47%, respectively of the post Issue paid up Equity Share Capital of our company.
2. This Issue is being made for at least 25% of the post issue paid up Equity Share capital of our Company, pursuant to Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957 as amended. This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, since our is a fixed price issue ‘the allocation’ is the net issue to the public category shall be made as follows:
 - a) Minimum fifty percent to retail individual investors; and
 - b) Remaining to:
 - i. Individual applicants other than retail individual investors; and
 - ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
 - c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

3. The average cost of acquisition of Equity Shares by our Promoters:

| Name of the Promoters | No. of Shares held | Average cost of Acquisition (in Rs.) |
|------------------------------|---------------------------|---|
| Mr. Rajesh Gupta | 36,70,515 | 10.00 |
| Mrs. Saruchi Gupta | 10,000 | 10.00 |

Note :The average cost of acquisition of our Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer of the Equity Shares. For more information, please refer to the section titled “Capital Structure” on page 40 of this Draft Prospectus.

4. Our Net worth as on March 31, 2016 is Rs. 477.06 Lacs and as on September 30, 2016 is Rs. 625.13 Lacs as per Restated Financial Statements.
5. The Book Value per share as on March 31, 2016 is Rs. 12.95 and as on September 30, 2016 is Rs. 16.98 as per Restated Financial Statements.
6. There has been no financing arrangement whereby the Promoter Group, our Directors and their relatives have financed the purchase, by any other person, of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Draft Prospectus.
7. Our Company was originally incorporated as ANG Lifesciences India Private Limited on June 14, 2006 with the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh as a private limited Company under the Companies Act, 1956. On conversion into public limited Company the name of our Company was changed to ANG Lifesciences India Limited pursuant to special resolution passed at the Extra Ordinary General Meeting held on January 18, 2010 and a fresh certificate of incorporation dated March 02, 2010 issued by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh. Our company was further converted into private limited Company and the name of our Company was changed to ANG Lifesciences India Private Limited pursuant to special resolution passed at the Extra Ordinary General Meeting held on August 31, 2010 and a fresh certificate of incorporation was issued by Registrar of Companies, Punjab, Himachal Pradesh and



Chandigarh dated September 22, 2010. Subsequently, on conversion into public limited Company the name of our company again changed to ANG Lifesciences India Limited pursuant to special resolution passed at the Extra Ordinary General Meeting held on May 04, 2016 and a fresh certificate of incorporation dated May 18, 2016 issued by the Registrar of Companies, Chandigarh.

8. In the event of over subscription, allotment shall be made on proportionate basis in consultation with the BSE Limited, the Designated Stock Exchange. For more information, please refer to "*Basis of Allotment*" on page 210 of this Draft Prospectus. The Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner as set out therein.
9. Investors are advised to refer to the paragraph on "*Basis for Issue Price*" on page 55 of this Draft Prospectus before making an investment in this Issue.
10. No part of the Issue proceeds will be paid as consideration to Promoters, Promoter Group, Directors, Key Managerial Personnel, associate companies, or Group Companies.
11. Investors may contact the Lead Manager or the Compliance Officer for any complaint/clarifications/information pertaining to the Issue. For contact details of the Lead Manager and the Compliance Officer, refer the front cover page.
12. Other than as stated in the section titled "*Capital Structure*" beginning on page 40 of this Draft Prospectus, our Company has not issued any Equity Shares for consideration other than cash.
13. Except as mentioned in the sections titled "*Capital Structure*" beginning on page 40 of this Draft Prospectus, we have not issued any Equity Shares in the last twelve months.
14. Except as disclosed in the sections titled "*Our Promoters and Promoter Group*" or "*Our Management*" beginning on pages 98 and 87 respectively of this Draft Prospectus, none of our Promoters, our Directors and our Key Managerial Employees have any interest in our Company except to the extent of remuneration and reimbursement of expenses and to the extent of the Equity Shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as directors, member, partner and/or trustee and to the extent of the benefits arising out of such shareholding.
15. Any clarification or information relating to the Issue shall be made available by the LM and our Company to the investors at large and no selective or additional information would be available for a section of investors in any manner whatsoever. Investors may contact the LM for any complaints pertaining to the Issue. Investors are free to contact the LM for any clarification or information relating to the Issue who will be obliged to provide the same to the investor.
16. For transactions in Equity Shares of our Company by the Promoters, Promoter Group and Directors of our Company in the last six (6) months, please refer to paragraph under the section titled "*Capital Structure*" on page 40 of this Draft Prospectus.
17. There is no contingent liabilities as on September 30, 2016
18. For details of any hypothecation, mortgage or other encumbrances on the movable and immovable properties of our Company please refer to the section titled "*Financial Information*" on page 107 of this Draft Prospectus.
19. Except as disclosed in the section titled "*Group Companies / Entities*" on page 102, none of our Group Companies have business interest in our Company.
20. For interest of Promoters please refer to the section titled "*Our Promoters and Promoter Group*" beginning on page 98 of this Draft Prospectus.
21. The details of transactions with the Group Companies/ Group Entities and other related party transactions are disclosed as "*Annexure XXI*" of restated financial statement under the section titled "*Financial Information*" beginning on page 107 of this Draft Prospectus



SECTION III - INTRODUCTION

SUMMARY OF OUR INDUSTRY

This is only the summary and does not contain all information that you shall consider before investing in Equity Shares. You should read the entire Draft Prospectus, including the information on “Risk Factors” and related notes on page 11 of this Draft Prospectus before deciding to invest in Equity Shares

The Indian Pharmaceutical 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.

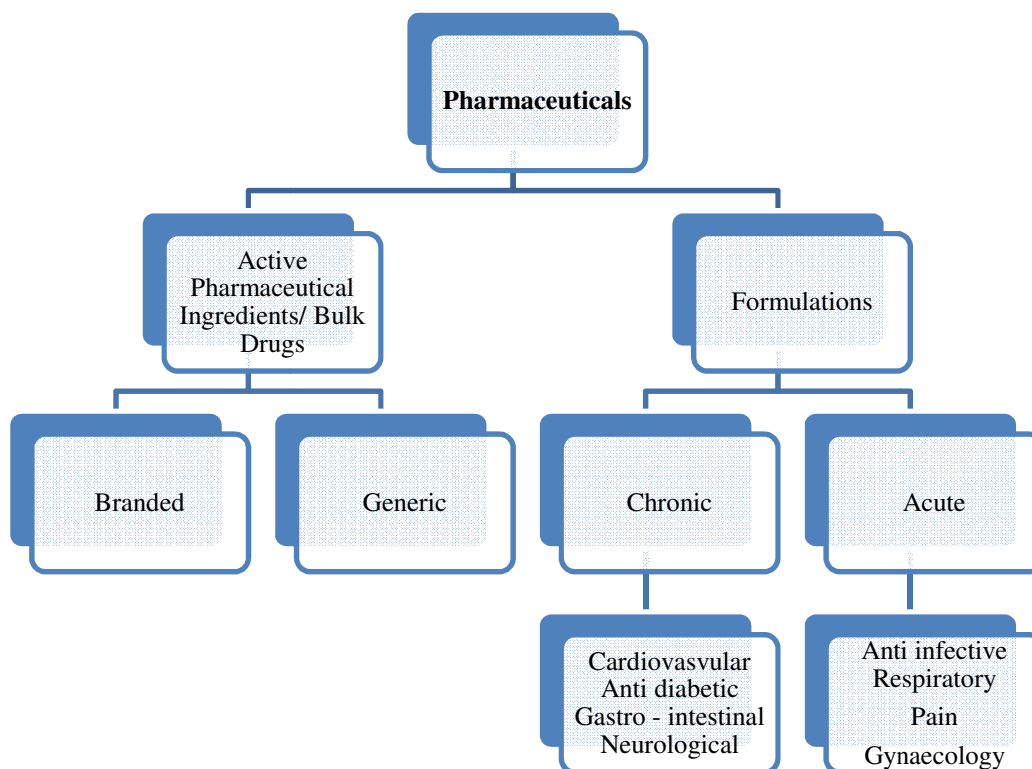
India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers who have the potential to steer the industry ahead to an even higher level. Presently over 80 per cent of the antiretroviral drugs used globally to combat AIDS (Acquired 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.

Overview

| | |
|---------------------------------------|---|
| Leading pharma producer | <ul style="list-style-type: none"> Indian pharmaceutical sector accounts for about 2.4 percent of the global pharmaceutical industry in value terms and 10 percent in volume terms |
| One of the highest exports | <ul style="list-style-type: none"> India accounts for 20 percent of global exports in generics |
| Among fastest growing industries | <ul style="list-style-type: none"> The country's pharmaceutical industry is expected to expand at a CAGR of 22.42 percent over 2015–20 to reach USD 55 billion |
| Rapidly growing healthcare sector | <ul style="list-style-type: none"> Indian healthcare sector, one of the fastest growing sectors, is expected to advance at a CAGR of 17 percent to reach USD 250 billion over 2008–20 |
| Growing generics market | <ul style="list-style-type: none"> The generics market is expected to grow to USD 26.1 billion by 2016 from USD 14.2 billion in 2015; India's generics market has immense potential for growth |
| Ranked 5th in terms of attracting FDI | <ul style="list-style-type: none"> Cumulative FDI inflows worth USD13.3 billion from April 2000 to May 15 Attracted 5.19 percent of the total FDIs into India from April 2000 to May 15 |

Structure of Pharmaceutical Sector in India



Advantage for India

Cost efficiency

- Low cost of production and R&D boosts efficiency of Indian pharma companies
- India's cost of production is approximately 60 per cent lower than that of the US and almost half of that of Europe
- Due to lower cost of treatment, India is emerging as a leading destination for medical tourism

Economic drivers

- Economic prosperity to improve drug affordability
- Increasing penetration of health insurance
- With increasing penetration of chemists, especially in rural India, OTC drugs will be readily available

Policy support

- Government unveiled 'PharmaVision 2020' aimed at making India a global leader in end-to-end drug manufacturer
- Reduced approval time for new facilities to boost investments
- In this sector, 100 percent FDI is allowed under automatic route

Diversified portfolio

- Accounts for over 10 percent of the global pharmaceutical production
- Over 60,000 generic brands across therapeutic categories. Manufactures more than 500 different APIs
- 49 percent of all drug master filings from India is registered in the USA



SUMMARY OF OUR BUSINESS

This is only the summary and does not contain all information that you shall consider before investing in Equity Shares. You should read the entire Draft Prospectus, including the information on “Risk Factors” and related notes on page 11 of this Draft Prospectus before deciding to invest in Equity Shares

Overview

Our company ‘ANG Lifesciences Limited’ incorporated in the year 2006, engaged in the business of manufacturing and marketing of finished pharmaceutical formulations in a dosage form of sterile dry powder injection vials.

Our registered office is located at Darbara Complex, SCO 113, First Floor, District Shopping Centre B Block, Ranjit Avenue, Amritsar – 143001. We carry out our production through our state-of-the-art manufacturing unit spread over 35,000 Sq. Ft. situated at Village Kishan pura, P.O. Manpura Baddi Nalagarh Road, Tehsil Nalagarh, Dist. Solan, Himachal Pradesh. Presently, our total built up area of 45,000 Sq. Ft. is dedicated to manufacturing of Dry Powder Injectables. Our manufacturing unit is well equipped with the most modern and validated manufacturing and analytical equipments and detailed standard operating procedures (SOP’s) are in place with respect to Quality management, Personnel, Premises, Equipment, Documentation, Production, Complaints and Self Inspection/Audits.

Our company is ISO-9001:2008 certified and has the most modern & sophisticated plant, equipments, technique and manpower. The planning and construction of plant has been done to conform to the regulatory requirements as per the norms of WHO G.M.P. and G.L.P. as per schedule-M (revised). We manufacture our products in compliance with GMP requirements. We have dedicated area, machinery, facilities and advanced equipments for manufacturing of B-Lactum & Non-B Lactum products as per GMP Norms. The production block provides appropriate personnel and material flow. As per GMP norms, all the production processes are documented and validated to establish the accuracy of the procedures and the control measures. Our production capacity is 2,100 Lacs Pcs per annum on three shift basis.

Our products include sterile dry powder vials for Anti Biotics, Anti Ulcerant, Gluco corticoid and Anti inflammatory, Anti malarial and Anesthetic.

Our Competitive Strength

Experienced Promoters and management team

Our Promoters who also form part of Board of Directors of our Company have played a key role in developing our business and we benefit from their significant experience in the pharmaceuticals business. Our senior management team has a wide experience in the domestic and international pharmaceutical industries, including in the areas of R&D, regulatory affairs, manufacturing, quality control, sales, marketing and finance, our middle management is able and our workers are well trained. We believe that experience of our Promoters and our management team provides us with a significant competitive advantage as we seek to grow in our existing markets and enter new geographies. It is also expected to help us in addressing and mitigating various risks inherent in our business, including technical problems, significant competition, reliance on independent contractors and the global economic crisis etc.

Quality Assurance and Standards

We always aim to offer quality products to our customers. We adopt quality check to ensure the adherence to desired specifications and quality. We have established world class quality standards and our production is based on standards laid down by standard operating procedure (SOP’S) and defined method of working by SOP's. We have set up a laboratory which is fully equipped for checking the quality of the inputs, processes and finished products and packaging of the products. Our Company maintains complete traceability record of goods as per batch wise, order wise and sale bill wise. Since, our Company is dedicated towards quality products, processes and inputs; we get repetitive orders from our customers as we are capable of meeting their standards.

***Strong Marketing capability***

Our marketing and distribution network in India comprises a specialized team of over 70 representatives, which enables us to market our products across various states in India. Our distribution network comprises of sales depots and consignment agent. We also market our products to various hospitals and medical institutions, which constitute an important channel for the distribution of our products. Our domestic marketing infrastructure consists of dedicated team, which formulate marketing and promotional strategies for our products. We also conduct periodic training programs for our marketing team. We believe that our marketing strategies, trained sales representatives and distribution network enable us to increase our market share.

Cordial relationship with Customers, suppliers and employees

Our core competency lies in the relationship with our customers and suppliers. Our cordial relationship with our customers help us getting repetitive orders and relationship with suppliers help us in uninterrupted supply of raw materials. We also enjoy cordial relations with our employees and there has been no union of employees. Further, there have been no strikes, lock-out or any labour protest in our organization since inception.

Focus on Research and Development

Our R&D efforts are integral to our business and we devote significant resources towards this aspect of our business. We believe in the importance of developing our R&D facilities to maintain our competitiveness. We also recognize the importance of maintaining a workforce of highly qualified employees for R&D. Our Company has set up its own laboratory for quality control and further improvements in technology. Various trials are undertaken in the laboratory to improve the quality and to reduce cost of production. The facilities available are for checking the different parameter of raw materials, Processes and Finished products.

Our Strategies***Expand Product Range***

Currently our revenue is largely driven from manufacturing dry injection powder. We have a fully integrated plant capable of manufacturing various other products. Currently we also utilize our plant to manufacture customer specific products. We plan to utilise our manufacturing plant for other products including tablets, liquids injections etc.

Increasing Geographical Presence

We plan to expand our presence in PAN India as well as international market. We intend to expand our global footprint and become a preferred supplier in the industry with the help of increased utilization of capacities, reduced costs, wider range of products adhering to global standards, marketing initiatives, competitive pricing and more efficient use of resources.

Focus on consistently meeting quality standards

Our Company intends to focus on adhering to the quality standards of the products. Our driving force has always been the quality of our products, as the same would enable us for long standing relationship with our customers. Our technically qualified persons are determined to achieve the objective of zero defects and zero rejection. To complement the efforts of our technical team, we are equipped with testing facilities to ensure that all our products are thoroughly tested prior to dispatch from our factory. Our testing and development laboratory will play an integral role in making improvements in quality of our products and development of special products. Further, we propose to enhance our efficiency by introducing advanced machinery and reducing our dependency on manual labor thereby capitalizing our method of production. This is necessary so as to make sure that we get repeat orders from our customers.



SUMMARY OF FINANCIALS

STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(Rs. in Lacs)

| Sr. No. | Particulars | As at September 30, | As at March 31, | | | | |
|----------|---|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | 2016 | 2016 | 2015 | 2014 | 2013 | 2012 |
| | EQUITY AND LIABILITIES | | | | | | |
| A | Shareholders Funds | | | | | | |
| | a. Share Capital | 368.25 | 368.25 | 368.25 | 368.25 | 368.25 | 368.25 |
| | b. Reserves & Surplus | 256.88 | 108.81 | (56.67) | (97.03) | (141.32) | (135.11) |
| B | Share Application Money Pending Allotment | - | - | - | - | - | - |
| C | Non Current Liabilities | | | | | | |
| | a. Long Term Borrowings | 635.12 | 681.06 | 811.23 | 976.85 | 1,099.43 | 277.39 |
| | b. Deferred Tax Liabilities | 8.53 | 9.98 | - | - | - | - |
| | c. Other Long Term Liabilities | - | - | - | - | - | - |
| | d. Long Term Provisions | - | - | - | - | - | - |
| D | Current Liabilities | | | | | | |
| | a. Short Term Borrowings | 470.05 | 495.94 | 203.07 | 126.06 | 171.12 | - |
| | b. Trade Payables | 1,658.04 | 1,508.01 | 972.41 | 927.77 | 529.17 | 208.16 |
| | c. Other Current Liabilities | 407.12 | 323.08 | 265.16 | 206.21 | 110.87 | 1,120.21 |
| | d. Short Term Provisions | 98.80 | 54.20 | 20.95 | 9.70 | - | - |
| | T O T A L | 3,902.80 | 3,549.33 | 2,584.40 | 2,517.82 | 2,137.52 | 1,838.90 |
| | ASSETS | | | | | | |
| E | Non Current Assets | | | | | | |
| | a. Fixed Assets | - | - | - | - | - | - |
| | i. Tangible Assets | 1,768.98 | 1,718.47 | 1,587.61 | 1,517.22 | 1,449.96 | 1,414.65 |
| | Less: Accumulated Depreciation | 868.79 | 816.09 | 710.11 | 613.56 | 308.44 | 241.30 |
| | ii. Intangible Assets | - | - | - | - | - | - |
| | iii. Intangible Assets under development | - | - | - | - | - | - |
| | iv. Capital Work in Progress | - | - | - | - | - | - |
| | Net Block | 900.18 | 902.37 | 877.50 | 903.66 | 1,141.52 | 1,173.35 |
| | b. Deferred Tax Assets (Net) | - | - | 4.41 | 15.77 | 31.91 | 53.15 |
| | c. Non-current Investments | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| | d. Other Non current assets | 8.79 | 5.44 | 5.44 | 5.54 | 5.87 | 6.18 |
| F | Current Assets | | | | | | |
| | a. Current Investment | - | - | - | - | - | - |
| | b. Inventories | 619.81 | 524.40 | 617.90 | 586.81 | 424.15 | 282.41 |
| | c. Trade Receivables | 1,719.24 | 1,637.67 | 628.13 | 752.66 | 426.92 | 231.87 |
| | d. Cash and Cash Equivalents | 176.81 | 103.35 | 46.94 | 54.65 | 53.13 | 35.76 |
| | e. Short Term Loans & Advances | 475.97 | 374.10 | 402.07 | 196.73 | 52.01 | 54.19 |
| | f. Other Current Assets | - | - | - | - | - | - |
| | T O T A L | 3,902.80 | 3,549.33 | 2,584.40 | 2,517.82 | 2,137.52 | 1,838.90 |



STATEMENT OF PROFIT AND LOSS, AS RESTATED

(Rs. in Lacs)

| Sr. No. | Particulars | September 30, | For the period ended March 31, | | | | |
|----------|---|---------------|--------------------------------|----------|----------|----------|----------|
| | | 2016 | 2016 | 2015 | 2014 | 2013 | 2012 |
| A | <u>INCOME</u> | | | | | | |
| | Revenue from Operations | 2,977.59 | 5,492.30 | 3,684.16 | 3,449.93 | 1,624.91 | 677.08 |
| | Other Income | 0.82 | 21.03 | 9.46 | 11.96 | 3.73 | 0.51 |
| | Total Income (A) | 2,978.41 | 5,513.32 | 3,693.63 | 3,461.89 | 1,628.64 | 677.59 |
| B | <u>EXPENDITURE</u> | | | | | | |
| | Cost of Material Consumed | 2,160.83 | 4,107.11 | 2,768.34 | 2,594.26 | 1,163.54 | 524.65 |
| | Purchase of Stock in Trade | - | - | - | - | - | - |
| | Changes in inventories of finished goods, traded goods and work-in-progress | (94.47) | (20.80) | (87.18) | (43.34) | (32.02) | (27.81) |
| | Employee benefit expenses | 228.09 | 346.50 | 237.00 | 120.25 | 57.63 | 45.68 |
| | Finance costs | 69.32 | 165.94 | 165.94 | 150.82 | 183.30 | 157.02 |
| | Depreciation and amortisation expense | 52.70 | 105.98 | 94.64 | 305.12 | 67.14 | 68.24 |
| | Other Expenses | 369.33 | 586.53 | 454.75 | 290.08 | 174.02 | 109.40 |
| | Total Expenses (B) | 2,785.79 | 5,291.26 | 3,633.50 | 3,417.19 | 1,613.62 | 877.19 |
| C | <u>Profit before extraordinary items and tax</u> | 192.62 | 222.06 | 60.13 | 44.70 | 15.02 | (199.60) |
| | Extraordinary items | - | - | - | - | - | - |
| D | <u>Profit before tax</u> | 192.62 | 222.06 | 60.13 | 44.70 | 15.02 | (199.60) |
| | <i>Tax expense :</i> | | | | | | |
| | (i) Current tax | 45.99 | 45.27 | 13.80 | 9.70 | - | - |
| | Less:MAT Credit | - | (3.09) | (5.43) | (0.45) | - | - |
| | (ii) Deferred tax | (1.44) | 14.39 | 11.35 | 16.15 | 21.23 | (28.43) |
| | (iii) Tax in respect of earlier year | - | - | - | - | - | - |
| E | <u>Total Tax Expense</u> | 44.55 | 56.58 | 19.73 | 25.40 | 21.23 | (28.43) |
| F | <u>Profit for the year (D-E)</u> | 148.07 | 165.48 | 40.40 | 19.29 | (6.21) | (171.16) |



STATEMENT OF CASH FLOW, AS RESTATED

(Rs. in Lacs)

| Particulars | September 30, 2016 | For the year ended March 31, | | | | |
|---|-----------------------|------------------------------|-----------------|-----------------|-----------------|-----------------|
| | | 2016 | 2015 | 2014 | 2013 | 2012 |
| Net Profit before tax as per Profit And Loss A/c | 192.62 | 222.06 | 60.13 | 44.70 | 15.02 | (199.60) |
| Adjusted for: | | | | | | |
| Depreciation & Amortisation | 52.70 | 105.98 | 94.64 | 305.12 | 67.14 | 68.24 |
| Interest & Financial Charges | 69.32 | 165.94 | 165.94 | 150.82 | 183.30 | 157.02 |
| Profit on Sale of Fixed Assets | - | - | 1.86 | | | |
| Interest earned | - | (4.94) | (4.61) | (4.35) | (1.96) | (0.51) |
| Operating Profit Before Working Capital Changes | 314.64 | 489.04 | 317.97 | 496.29 | 263.51 | 25.16 |
| Adjusted for (Increase)/ Decrease: | | | | | | |
| Inventories | (95.41) | 93.50 | (31.10) | (162.65) | (141.74) | (46.35) |
| Trade Receivables | (81.57) | (1,009.54) | 124.52 | (325.74) | (195.05) | 244.74 |
| Short Term Loans & Advances | (101.87) | 27.97 | (205.34) | (144.72) | 2.18 | (21.27) |
| Other Non Current Assets | (3.35) | - | 0.11 | 0.33 | 0.31 | 0.30 |
| Trade Payables | 150.03 | 535.60 | 44.64 | 398.60 | 321.01 | (244.28) |
| Other Current Liabilities | 84.04 | 57.92 | 58.95 | 95.34 | (1,009.34) | 792.32 |
| Short Term Provisions | 44.60 | 33.25 | 11.24 | 9.70 | - | - |
| Cash Generated From Operations Before Extra-Ordinary Items | 311.11 | 227.74 | 320.99 | 367.16 | (759.14) | 750.63 |
| Cash Generated From Operations | 311.11 | 227.74 | 320.99 | 367.16 | (759.14) | 750.63 |
| Direct Tax Paid | (45.99) | (42.19) | (8.38) | (9.25) | - | - |
| Net Cash Flow from/(used in) Operating Activities: (A) | 265.12 | 185.56 | 312.62 | 357.90 | (759.14) | 750.63 |
| Cash Flow From Investing Activities: | | | | | | |
| Purchase of Fixed Assets | (50.51) | (130.86) | (70.39) | (67.26) | (35.31) | (54.81) |
| Interest & Financial Charges | (69.32) | (165.94) | (165.94) | (150.82) | (183.30) | (157.02) |
| Interest earned | - | 4.94 | 4.61 | 4.35 | 1.96 | 0.51 |
| Net Cash Flow from/(used in) Investing Activities: (B) | (119.83) | (291.86) | (231.72) | (213.74) | (216.66) | (211.33) |
| Cash Flow from Financing Activities: | | | | | | |
| Proceeds from Long Term borrowings (net) | (45.95) | (130.17) | (165.61) | (122.58) | 822.05 | (547.37) |
| Proceeds from Short Term borrowings (net) | (25.89) | 292.88 | 77.00 | (45.06) | 171.12 | - |
| Increase in Capital Reserve | - | - | - | 25.00 | - | - |
| Net Cash Flow from/(used in) Financing Activities: (C) | (71.84) | 162.71 | (88.61) | (142.64) | 993.17 | (547.37) |
| Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C) | 73.45 | 56.41 | (7.71) | 1.52 | 17.37 | (8.07) |
| Cash & Cash Equivalents As At Beginning of the Year | 103.35 | 46.94 | 54.65 | 53.13 | 35.76 | 43.84 |
| Cash & Cash Equivalents As At End of the Year | 176.81 | 103.35 | 46.94 | 54.65 | 53.13 | 35.76 |



ISSUE DETAILS IN BRIEF

PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS

| | |
|---|--|
| Equity Shares Offered: Public Issue of Equity Shares by our Company consisting: | 15,00,800 Equity Shares of Rs. 10/- each (the "Equity Shares") for cash at a price of Rs. 80/- per Equity Share (including a Share premium of Rs. 70/- per Equity Share) aggregating to Rs. 1200.64 Lacs |
| Of which: | |
| Issue Reserved for the Market Maker | 76,800 Equity Shares of Rs. 10/- each at a price of Rs. 80/- per Equity Share aggregating Rs. 61.44 Lacs |
| Net Issue to the Public | 14,24,000 Equity Shares of Rs. 10/- each at a price of Rs. 80/-,per Equity Share aggregating Rs.1139.20 Lacs |
| Equity Shares outstanding prior to the Issue | 36,82,515 Equity Shares of face value of Rs. 10/- each |
| Equity Shares outstanding after the Issue | 51,83,315 Equity Shares of face value of Rs. 10/- each |
| Objects of the Issue | Please refer section titled " <i>Objects of the Issue</i> " on page 50 of this Draft Prospectus |

This issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details, please see the section titled "Issue Related Information" beginning on page no. 172 of this Draft Prospectus.

The Issue has been authorized by a resolution of the Board of Directors, dated September 03, 2016 and by a resolution of the shareholders of our Company in the AGM held on September 30, 2016 under section 62(1) (c) of the Companies Act, 2013.



GENERAL INFORMATION

Our Company was originally incorporated as ANG Lifesciences India Private Limited on June 14, 2006 with the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh as a private limited Company under the Companies Act, 1956. On conversion into public limited Company the name of our Company was changed to ANG Lifesciences India Limited pursuant to special resolution passed at the Extra Ordinary General Meeting held on January 18, 2010 and a fresh certificate of incorporation dated March 02, 2010 issued by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh. Our company was further converted into private limited Company and the name of our Company was changed to ANG Lifesciences India Private Limited pursuant to special resolution passed at the Extra Ordinary General Meeting held on August 31, 2010 and a fresh certificate of incorporation was issued by Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh dated September 22, 2010. Subsequently, on conversion into public limited Company the name of our company again changed to ANG Lifesciences India Limited pursuant to special resolution passed at the Extra Ordinary General Meeting held on May 04, 2016 and a fresh certificate of incorporation dated May 18, 2016 issued by the Registrar of Companies, Chandigarh.

| | |
|--|---|
| Registered Office | Darbara Complex, SCO 113, First Floor, District Shopping Centre, B Block Ranjit Avenue, Amritsar - 143001, Punjab, India. Tel: +91 0183-5133455, 5070118 Email: info@anglifesciences.com Website: www.anglifesciences.com |
| Registration Number | 030341 |
| Company Identification Number | U24230PB2006PLC030341 |
| Address of Registrar of Companies | Registrar of Companies, Chandigarh, Corporate Bhawan, Plot No. 4 B, Sector 27 B, Madhya Marg, Chandigarh - 160019, India Tel.: 0172 - 2639415, 2639416 Fax: 0172 - 2639416 Email: roc.chandigarh@mca.gov.in |
| Designated Stock Exchange | BSE Limited |
| Listing of Shares offered in this Issue | SME Platform of BSE |
| Contact Person: | Mr. Chandan Kapoor Company Secretary and Compliance Officer Darbara Complex, SCO 113, First Floor, District Shopping Centre, B Block Ranjit Avenue, Amritsar - 143001, Punjab, India. Tel: +91 0183-5133455, 5070118, Email: cs@anglifesciences.com |

Board of Directors:

Our Board of Directors comprise of the following members:

| Name | Designation | DIN | Address |
|--------------------|--|------------|---|
| Mr. Rajesh Gupta | Managing Director | 01423407 | House No. 85, Guru Nanak Avenue, Majitha Road, Amritsar - 143001, Punjab, India. |
| Mrs. Saruchi Gupta | Whole Time Director | 03618458 | House No. 85, Guru Nanak Avenue, Majitha Road, Amritsar - 143001, Punjab, India. |
| Mrs. Nipur Gupta | Non Executive and Non Independent Director | 07507356 | 538, First Floor, Sector 11, Panchkula -134112, Haryana, India. |
| Mr. Pawanjit Singh | Non Executive and Independent Director | 07505395 | House No. 3438, Street No. 3, Rock House, Putlighar, Azad Nagar, Amritsar - 143 001, Punjab, India. |
| Mr. Sukhpal Singh | Non Executive and Independent Director | 07507238 | A-701, A Block, New Amritsar, Amritsar – 143001, Punjab, India. |



For further details of Management of our Company, please refer to section titled "Our Management" on page 87 of this Draft Prospectus.

| Company Secretary & Compliance Officer | Chief Financial Officer |
|--|---|
| Mr. Chandan Kapoor Darbara Complex, SCO 113, First Floor, District Shopping Centre, B Block Ranjit Avenue, Amritsar - 143001, Punjab India. Tel: +91 0183-5133455, 5070118 Email: cs@anglifesciences.com | Mrs. Saruchi Gupta Darbara Complex, SCO 113, First Floor, District Shopping Centre, B Block Ranjit Avenue, Amritsar - 143001, Punjab India - 143001 Tel: +91 0183-5133455, 5070118 Email: cfo@anglifesciences.com |

Note: Investors can contact our Compliance Officer in case of any pre-Issue or post-Issue related matters such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account, refund orders etc.

Details of Key Intermediaries pertaining to this Issue and our Company:

| Lead Manager of the Issue | Registrar to the Issue |
|--|--|
| Guinness Corporate Advisors Private Limited Registered Office: 18, Deshapriya Park Road, Kolkata - 700026, West Bengal, India Tel: +91 - 33 - 30015555 Fax: +91 - 33 - 30015531 Email: gcapl@guinnessgroup.net Website: www.guinnessonline.net Contact Person: Ms. Alka Mishra/Ms. Nimisha Joshi SEBI Registration No.: INM 000011930 | Big Share Services Private Limited E/2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai - 400 072, Maharashtra, India. Tel: +91 - 022 - 40430200 Fax: +91 - 022 - 28475207 Email: ipo@bigshareonline.com Website: www.bigshareonline.com Contact Person: Mr. Babu Raphael SEBI Registration No.: INR000001385 |
| Banker to the Company | Legal Advisor to the Issue |
| Punjab National Bank Sector 9-D, Chandigarh, India. Tel: +91 - 172 - 5024618 Email: bo1488@pnb.co.in Website: www.pnbindia.in | K Asher & Co. Meadows House, 39, Nagindas Master Road, Fort, Mumbai 400 023, Maharashtra, India. Tel: + 91 - 22 - 66249494 Fax: + 91 - 22 - 66249495 Email: mihir@kasherindia.com Website: www.kasharindia.com Contact Person: Mr. Mihir Mody |
| Banker to the Issue | |
| [•] To be appointed prior to filing of prospectus with RoC | |
| Statutory Auditor of the Company | Peer Review Certified Auditor |
| Ajay K. Khanna & Co., Chartered Accountants, 64, Mishra Singh Colony, Tarn Taran Road, Amritsar - 143022, Punjab, India. Tel: 9888307845 Email: cabhupinder29@gmail.com Contact Person: Mr. Bhupinder Singh Firm Registration No.: 012303N | Vishal H. Shah & Associates, Chartered Accountants A-302, Kailas Esplanade, Opp. Shreyas Cinema, LBS Marg, Ghatkopar (W), Mumbai - 400086, Maharashtra, India. Tel: +91 - 8080316269 Email: vishalhs@yahoo.com Contact Person: Mr. Vishal Shah |



Self Certified Syndicate Banks

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (“ASBA”) Process are provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>.

The details on designated branches of SCSBs collecting the ASBA Application Form, are provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>

Registered Brokers

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms with the Registered Brokers at the Broker Centres, CDPs at Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone numbers, are available at the websites of the BSE at www.bseindia.com, respectively, as updated from time to time. For further details, please see “Issue Procedure” on page 178 of this Draft Prospectus.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA 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 www.bseindia.com, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of Stock Exchange at www.bseindia.com, as updated from time to time.

Credit Rating

As the Issue is of Equity Shares, credit rating is not mandatory.

Trustees

As the Issue is of Equity Shares, the appointment of Trustees is not mandatory.

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.

Brokers to the Issue

All members of the recognized stock exchanges would be eligible to act as Brokers to the Issue.

Monitoring Agency

As per Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs.500.00 Crores. Since the Issue size is below Rs. 500.00 Crores, our Company has not appointed any monitoring agency for this Issue. However, as per the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, the SME Listing Agreement to be entered into with BSE upon listing of the equity shares and the corporate governance requirements, the audit committee of our Company, would be monitoring the utilization of the proceeds of the Issue.



Debenture Trustees

As the Issue is of Equity Shares, the appointment of Debenture trustees is not required.

Details of the Appraising Authority

The objects of the Issue and deployment of funds are not appraised by any independent agency/ bank/ financial institution.

Inter-se Allocation of Responsibilities

Since Guinness Corporate Advisors Private Limited is the sole Lead Manager to this Issue, a statement of inter-se allocation responsibilities among Lead Manager's is not required.

Expert Opinion

Except the report of the Peer reviewed Auditor on the Restated Financial Statements and report of our Statutory Auditor on the Statement of Tax Benefits included in this Draft Prospectus, our Company has not obtained any other expert opinion.

Underwriting Agreement

This Issue is 100% Underwritten. The Underwriting agreement is dated December 05, 2016. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriter are several and are subject to certain conditions specified therein. The Underwriter has indicated their intention to underwrite the following number of specified securities being offered through this Issue:

| Name and Address of the Underwriter | Number of Equity shares Underwritten* | Amount Underwritten (Rs. in Lacs) | % of the Total Issue Size Underwritten |
|---|---------------------------------------|-----------------------------------|--|
| Guinness Corporate Advisors Private Limited Registered office: 18, Deshapriya Park Road, Kolkata - 700 026, West Bengal, India. Tel: +91 - 33 - 30015555 Fax: +91 - 33 -30015531 Email: gcapl@guinessongroup.net Website: www.guinessonline.net Contact Person: Ms. Alka Mishra /Ms. Nimisha Joshi SEBI Regn. No: INM 000011930 | 15,00,800 | 1200.64 | 100.00% |

**Includes 76,800 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 106V(4) of the SEBI (ICDR) Regulations, 2009, as amended.*

In the opinion of the Board of Directors of the company, considering the resources of the above mentioned underwriter and the potential investment lined up by it for the issue, underwriter is in a position to discharge its underwriting obligation.

Details of the Market Making Arrangement for this Issue

Our Company has entered into an agreement dated December 05, 2016 with the Lead Manager and Market Maker to fulfil the obligations of Market Making.



Name and Address of the Market Maker

Guinness Securities Limited

Guinness House
18, Deshapriya Park Road,
Kolkata - 700026, West Bengal, India.
Tel: +91 – 33 - 30015555
Fax: +91 – 33 - 24646969
Contact Person: Mr. Kuldeep Mohanty
Email: kmohanty@guinnessgroup.net
Website: www.guinessonline.net
SEBI Regn. No: INB 011146033

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the BSE, and SEBI regarding 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) 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).

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 offer their holding to the Market Maker(s) in that scrip provided that they sell his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

2. 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 %. (Including the 5 % of Equity Shares of the Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above 5% of Issue Size would not be taken in to consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.
3. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
5. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. 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 BSE and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
7. 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 or 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.



8. The Market Maker(s) shall have the right to terminate said arrangement by giving a three months notice or on mutually acceptable terms to the Merchant Banker, 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 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, 2009. Further the Company and the Lead Manager reserve the right to appoint other Market Makers 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 five or as specified by the relevant laws and regulations applicable at that particular 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.

9. **Risk containment measures and monitoring for Market Makers:** BSE SME Exchange will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
10. **Punitive Action in case of default by Market Makers:** BSE 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.

11. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market maker(s) 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 Crores | 25% | 24% |
| Rs.20 to Rs.50 Crores | 20% | 19% |
| Rs.50 to Rs.80 Crores | 15% | 14% |
| Above Rs.80 Crores | 12% | 11% |



CAPITAL STRUCTURE

The share capital of the Company as at the date of this Draft Prospectus, before and after the Issue, is set forth below.
(Rs. in Lacs, except share data)

| Sr. No. | Particulars | Aggregate value at face value | Aggregate value at Issue Price |
|-----------|--|-------------------------------|--------------------------------|
| A. | Authorized Share Capital | | |
| | 55,00,000 Equity Shares of face value of Rs.10 each | 550.00 | - |
| B. | Issued, subscribed and paid-up Equity Share Capital before the Issue | | |
| | 36,82,515 Equity Shares of face value of Rs. 10 each | 368.25 | - |
| C. | Present Issue in terms of this Draft Prospectus | | |
| | Issue of 15,00,800 Equity Shares of Rs. 10 each at a price of Rs. 80 per Equity Shares | 150.08 | 1200.64 |
| | Which comprises | | |
| | 76,800 Equity Shares of Rs.10 each at a price of Rs. 80 per Equity Share reserved as Market Maker Portion | 7.68 | 61.44 |
| | Net Issue to Public of 14,24,000 Equity Shares of Rs. 10 each at a price of Rs. 80 per Equity Share to the Public | 142.40 | 1139.20 |
| | Of which | | |
| | 7,12,000 Equity Shares of Rs.10 each at a price of Rs. 80 per Equity Share will be available for allocation to Retail Individual Investors up to Rs. 2.00 Lacs | 71.20 | 569.60 |
| | 7,12,000 Equity Shares of Rs.10 each at a price of Rs. 80 per Equity Share will be available for allocation to Other than Retail Individual Investors of above Rs. 2.00 Lacs | 71.20 | 569.60 |
| D. | Equity Capital after the Issue | | |
| | 51,83,315 Equity Shares of Rs. 10 each | 518.33 | --- |
| E. | Securities Premium Account | | |
| | Before the Issue | | Nil |
| | After the Issue | | Rs. 1050.56 |

The Issue has been authorized by a resolution of the Board of Directors, dated September 03, 2016 and by a resolution of the shareholders of our Company in the AGM held on September 30, 2016 under section 62(1) (c) of the Companies Act, 2013.

Our Company has no outstanding convertible instruments as on the date of this Draft Prospectus.

Classes of Shares

The Company has only one class of Share Capital i.e. Equity Shares of Rs. 10 each.

Changes in the Authorized Share Capital of our Company:

| Sr. No. | Particulars of Change | | Date of Shareholders' Meeting | Meeting AGM/EGM |
|---------|--|--|-------------------------------|-----------------|
| | From | To | | |
| 1 | 10,00,000 Equity Shares of Rs. 10 each | | - | Incorporation |
| 2 | 10,00,000 Equity Shares of Rs. 10 each | 32,50,000 Equity Shares of Rs. 10 each | 06.04.2007 | EGM |
| 3 | 32,50,000 Equity Shares of Rs. 10 each | 35,50,000 Equity Shares of Rs. 10 each | 22.02.2008 | EGM |
| 4 | 35,50,000 Equity Shares of Rs. 10 each | 37,00,000 Equity Shares of Rs. 10 each | 22.03.2010 | EGM |
| 5 | 37,00,000 Equity Shares of Rs. 10 each | 55,00,000 Equity Shares of Rs. 10 each | 30.09.2016 | AGM |



Notes Forming Part of Capital Structure

1. Equity Share capital history of our Company

| Date of issue/ allotment of Shares | No. of Equity Shares Issued | Face value (Rs.) | Issue price (Rs.) | Consideration (cash, bonus, consideration other than cash) | Nature of allotment (Bonus, swap etc.) | Cumulative no. of Equity Shares | Cumulative paid-up share capital (Rs.) | Cumulative share premium (Rs.) |
|--|--------------------------------------|------------------------|-------------------------|--|---|--|--|---|
| On incorporation | 20,000 | 10 | 10 | Cash | Subscription to MOA | 20,000 | 2,00,000 | Nil |
| 30.03.2007 | 9,43,366 | 10 | 10 | Cash | Further Allotment ⁽ⁱ⁾ | 9,63,366 | 96,33,660 | Nil |
| 28.03.2008 | 22,79,449 | 10 | 10 | Cash | Further Allotment ⁽ⁱⁱ⁾ | 32,42,815 | 3,24,28,150 | Nil |
| 06.06.2008 | 2,89,700 | 10 | 10 | Cash | Further Allotment ⁽ⁱⁱⁱ⁾ | 35,32,515 | 3,53,25,150 | Nil |
| 29.03.2010 | 1,50,000 | 10 | 10 | Cash | Further Allotment ^(iv) | 36,82,515 | 3,68,25,150 | Nil |

(i) Allotment of 9,43,366 Equity Shares made to our promoter Mr. Rajesh Gupta

(ii) Allotment to Mr. Marut Arora 7,35,175 Equity Shares, Mr. Hemant Arora 7,35,175 Equity Shares and Mr. Rajesh Gupta 8,09,099 Equity Shares aggregating to 22,79,449 Equity Shares

(iii) Allotment to Mr. Marut Arora 50,600 Equity Shares, Mr. Hemant Arora 50,600 Equity Shares and Mr. Rajesh Gupta 1,88,500 Equity Shares aggregating to 2,89,700 Equity Shares

(iv) Allotment of 1,50,000 Equity Shares to Mr. Rajesh Gupta

2. Our Company has not issued any Equity Shares for consideration other than cash or out of revaluation reserves or in terms of any scheme approved under Sections 391- 394 of the Companies Act, 1956 or Section 230- 233 of the Companies Act, 2013.

3. We have not issued any Equity Shares at a price below the Issue Price in the last one year from the date of this Draft Prospectus.

4. We have not issued any Equity Shares within last two years from the date of this Draft Prospectus.

5. Capital Build up of our Promoters:

Set forth below are the details of the build-up of our Promoters:-

| Date of Allotment / Transfer | Consideration | Nature of Issue | No of Equity Shares | Sources of Funds (Owned /Borrowed) | Face Value Per Share (Rs.) | Issue Price/Acquisition Price / Transfer Prices | % Pre - Issue paid up capital | % Post - Issue paid up capital |
|------------------------------|---------------|---------------------|---------------------|------------------------------------|----------------------------|---|-------------------------------|--------------------------------|
| Mr. Rajesh Gupta | | | | | | | | |
| 14.06.2006 | Cash | Subscription to MOA | 10,000 | Owned | 10 | 10 | 0.27 | 0.19 |
| 30.03.2007 | Cash | Allotment | 9,43,366 | Owned | 10 | 10 | 25.62 | 18.20 |
| 28.03.2008 | Cash | Allotment | 8,09,099 | Owned | 10 | 10 | 21.97 | 15.61 |



| | | | | | | | | |
|---------------------------|------|---|------------------|-------|----|----|--------------|--------------|
| 06.06.2008 | Cash | Allotment | 1,88,500 | Owned | 10 | 10 | 5.12 | 3.64 |
| 29.03.2010 | Cash | Allotment | 1,50,000 | Owned | 10 | 10 | 4.07 | 2.89 |
| 02.09.2011 | Cash | Transfer received from Marut Arora | 7,90,775 | Owned | 10 | 10 | 21.47 | 15.26 |
| | Cash | Transfer received from Hemant Arora | 7,90,775 | Owned | 10 | 10 | 21.47 | 15.26 |
| 02.09.2011 | Cash | *Transfer to Saruchi Gupta | (10,000) | - | 10 | 10 | (0.27) | (0.19) |
| 15.10.2012 | Cash | *Transfer to Marut Arora and Yukti Dammi (200 shares each) | (400) | - | 10 | 10 | (0.01) | (0.01) |
| | Cash | *Transfer to Arun Bhanot, Bimla Wati, Davinder Kumar, Chawla Khanna, Yashpal Setia, Gauri Arora, Hemant Arora, Kapil Mehra, Pawanjit Singh, Krishna Arora, Priya Chopra, Ravi Goel, S.S Bhola, Shivam Traders, Rajesh Gupta, and Surjit Singh (100 shares each) | (1600) | - | 10 | 10 | (0.04) | (0.03) |
| Total | | | 36,70,515 | | | | 99.67 | 70.81 |
| Mrs. Saruchi Gupta | | | | | | | | |
| 02.09.2011 | Cash | *Transfer received from Rajesh Gupta | 10,000 | Owned | 10 | 10 | 0.27 | 0.19 |
| Total | | | 10,000 | | | | 0.27 | 0.19 |

**We have been unable to locate share transfer deeds executed in relation to these share transfers. However, our Company has relied on the limited information available in the Register of Members maintained by the Company, from where we have ascertained the same.*

3. Shareholding of our Promoters and Promoter Group

The table below presents the current shareholding pattern of our Promoters and Promoter Group



| Sr. No. | Name of the Shareholder | Pre-Issue | | Post-Issue | | Shares pledged or otherwise encumbered | | |
|----------|---|----------------------|--------------------------------|----------------------|--------------------------------|--|-----------------|-----------------------|
| | | No. of Equity Shares | As a % of Issued Share Capital | No. of Equity Shares | As a % of Issued Share Capital | Number | As a percentage | As a % of grand Total |
| A | Promoters | | | | | | | |
| 1 | Mr. Rajesh Gupta | 36,70,515 | 99.67 | 36,70,515 | 70.81 | - | - | - |
| 2 | Mrs. Saruchi Gupta | 10,000 | 0.27 | 10,000 | 0.09 | - | - | - |
| | Total (A) | 36,80,515 | 99.94 | 36,80,515 | 71.00 | | | |
| B | Promoter Group, Relatives and other Associates | | | | | | | |
| 1 | Nil | Nil | Nil | Nil | Nil | - | - | - |
| | Total (B) | Nil | Nil | Nil | Nil | - | - | - |
| | TOTAL (A+B) | 36,80,515 | 99.94 | 36,80,515 | 71.00 | - | - | - |

4. There are no transactions in our Equity Shares during the past six months, which have been purchased/(sold) by our Promoters, their relatives and associates, persons in Promoter Group (as defined under sub-clause (zb) sub regulation (1) Regulation 2 of the SEBI (ICDR) Regulations, 2009) or the Directors of the Company

5. None of the members of the Promoter Group, Directors and their immediate relatives have financed the purchase of Equity shares of our Company, by any other person during the period of six months immediately preceding the date of this Draft Prospectus.

6. There is no shareholding of persons belonging to the category 'Public' and holding more than 1% of our Equity Shares

7. There has been no subscription to or sale or purchase of the securities of our Company within three years preceding the date of filing of this Draft Prospectus by our Promoters or Directors or Promoter Group which in aggregate equals to or is greater than 1% of the pre-Issue share capital of our Company

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

| Name of the Promoter | No. of Shares held | Average Cost of Acquisition (in Rs.) |
|----------------------|--------------------|--------------------------------------|
| Mr. Rajesh Gupta | 36,70,515 | 10.00 |
| Mrs. Saruchi Gupta | 10,000 | 10.00 |

9. None of our Directors hold Equity Shares in our Company, other than as follows:

| Name of the Director | No. of Equity Shares | % of Pre-Issue Capital |
|----------------------|----------------------|------------------------|
| Mr. Rajesh Gupta | 36,70,515 | 99.67 |
| Mrs. Saruchi Gupta | 10,000 | 0.27 |

10. The Shareholding pattern of our Company before and after the Issue is set forth below:

| Particulars | Pre Issue | | Post Issue | |
|-------------------------|------------------|---------------|------------------|---------------|
| | No. of Shares | % of holding | No. of Shares | % of holding |
| Promoters | 36,80,515 | 99.94 | 36,80,515 | 71.00 |
| Promoter Group | Nil | Nil | Nil | Nil |
| Public | 2,000 | 0.06 | 14,26,000 | 27.52 |
| Non Promoter Non Public | Nil | Nil | 76,800 | 1.48 |
| Total | 36,82,515 | 100.00 | 51,83,315 | 100.00 |

11. Details of Promoters' contribution locked in for three years:



Pursuant to Regulation 32 and 36 of SEBI (ICDR) Regulations aggregate of 20% of the post issue capital held by our Promoters 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 granted consent to include such number of Equity Shares held by them as may constitute 20% of the post issue Equity Share capital of our Company as Promoters Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution from the date of filing of this Draft Prospectus until the commencement of the lock-in period specified above.

| Date of Allotment / Transfer | Consideration | Nature of Issue | No of Equity Shares | Face Value Per Share (Rs.) | Issue Price/Acquisition Price / Transfer Prices | % Pre - Issue paid up capital | % Post - Issue paid up capital |
|------------------------------|---------------|-----------------|---------------------|----------------------------|---|-------------------------------|--------------------------------|
| Mr. Rajesh Gupta | | | | | | | |
| 30.03.2007 | Cash | Allotment | 9,43,366 | 10 | 10 | 25.62 | 18.20 |
| 28.03.2008 | Cash | Allotment | 1,00,000 | 10 | 10 | 2.72 | 1.93 |
| Total | | | 10,43,366 | | | 28.34 | 20.13 |

We further confirm that the minimum Promoter Contribution of 20% which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired by the Promoters during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Issue.
- Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.
- The Equity Shares held by the Promoters and offered for minimum 20% Promoters' Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters' Contribution subject to lock-in.
- Equity shares issued to our Promoters on conversion of partnership firms into limited companies.

Specific written consent has been obtained from the Promoters for inclusion of the Equity Shares for ensuring lock-in of three years to the extent of minimum 20% of post -Issue paid-up Equity Share Capital from the date of allotment in the proposed public Issue. Promoters' Contribution does not consist of any private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.

The minimum Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoters under the SEBI (ICDR) Regulations, 2009. The Promoters' Contribution constituting more than 20% of the post issue capital shall be locked-in for a period of three years from the date of Allotment of the Equity Shares in the Issue.



All Equity Shares, which are to be locked-in, are eligible for computation of Promoters' Contribution, in accordance with the SEBI (ICDR) Regulations, 2009. Accordingly we confirm that the Equity Shares proposed to be included as part of the Promoters' Contribution:

- a) have not been subject to pledge or any other form of encumbrance; or
- b) have not been acquired, during preceding three years, for consideration other than cash and revaluation of assets or capitalization of intangible assets is not involved in such transaction;
- c) is not resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the Issuer or from bonus issue against Equity Shares which are ineligible for minimum Promoters' Contribution;
- d) have not been acquired by the Promoters during the period of one year immediately preceding the date of filing of this Draft Prospectus at a price lower than the Issue Price.

The Promoters' Contribution can be pledged only with a scheduled commercial bank or public financial institution as collateral security for loans granted by such banks or financial institutions, in the event the pledge of the Equity Shares is one of the terms of the sanction of the loan. The Promoters' Contribution may be pledged only if in addition to the above stated, the loan has been granted by such banks or financial institutions for the purpose of financing one or more of the objects of this Issue.

The Equity Shares held by our Promoters may be transferred to and among the Promoter Group or to new Promoters or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code, as applicable.

12. Details of share capital locked in for one year:

In addition to 20% of the post issue shareholding of our Company held by the Promoters (locked in for three years as specified above), in accordance with regulation 36 of SEBI (ICDR) Regulations, 2009, the entire pre issue share capital of our Company (including the Equity Shares held by our Promoters) shall be locked in for a period of one year from the date of Allotment in this Issue.

The Equity Shares held by persons other than our Promoters and locked-in for a period of one year from the date of Allotment, in accordance with regulation 37 of SEBI (ICDR) Regulations, 2009, in the Issue may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Takeover Code.



13. Shareholding pattern of our Company:

The following table presents the shareholding pattern of Our Company.

| Category code | Category of shareholders | No. of shareholders | No. of fully paid up equity shares held | No. of Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) | Number of Voting Rights held in each class of securities | | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding , as % assuming full conversion of convertible securities (as a % of diluted share capital) | Number of Locked in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialised form* |
|---------------|--------------------------------|---------------------|---|--|--|------------------------|---|--|------------|----------------|--------------------------|--|---|----------------------------|---------------------------------|--|---------------------------------|--|
| (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) | (VIII) | (IX) | | | | (X) | (XI)= (VII)+(X) | (XII) | | (XIII) | | (XIV) |
| | | | | | | | As a % of (A+B+ C2) | No of Voting Rights | | | Total as a % of (A+B+ C) | | As a % of (A+B+C2) | No. (a) | As a % of total shares held (b) | No.(a) | As a % of total shares held (b) | |
| | | | | | | | | Equity | Preference | Total | | | | | | | | |
| (A) | Promoter & Promoter Group | 2 | 3680515 | - | - | 3680515 | 99.94 | 3680515 | - | 3680515 | 99.94 | - | 99.95 | - | - | - | - | - |
| (B) | Public | 14 | 2000 | - | - | 2000 | 0.06 | 2000 | - | 2000 | 0.06 | - | 0.05 | - | - | - | - | - |
| (C) | Non Promoter-Non Public | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (C1) | Shares underlying DRs | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (C2) | Shares held by Employee Trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Total | 16 | 3682515 | - | - | 3682515 | 100.00 | 3682615 | - | 3682515 | 100.00 | - | 100.00 | - | - | - | - | - |

*The Equity Shares of Promoter and Promoter Group are in process of dematerialization



14. Equity Shares held by top ten shareholders

(a) Our top ten shareholders and the number of Equity Shares held by them as on date of this Draft Prospectus are as under:

| Sr. No. | Name of shareholder | No. of Shares | % age of Pre-Issue Capital |
|---------|---------------------|------------------|----------------------------|
| 1 | Rajesh Gupta | 36,70,515 | 99.67 |
| 2 | Saruchi Gupta | 10,000 | 0.27 |
| 3 | Neeraj Gupta | 500 | 0.01 |
| 4* | Marut Arora | 200 | Negligible |
| 4* | Yukti Dhammi | 200 | Negligible |
| 5** | Arun Bhanot | 100 | Negligible |
| 5** | BimlaWati | 100 | Negligible |
| 5** | Davinder Kumar | 100 | Negligible |
| 5** | Yashpal Setia | 100 | Negligible |
| 5** | Gauri Arora | 100 | Negligible |
| 5** | Hemant Arora | 100 | Negligible |
| 5** | Kapil Mehra | 100 | Negligible |
| 5** | Ravi Goel | 100 | Negligible |
| 5** | S.S Bhola | 100 | Negligible |
| 5** | Rajesh Gupta | 100 | Negligible |
| 5** | Surjit Singh | 100 | Negligible |
| | Total | 36,82,515 | 100.00 |

*On Sr. No. 4 there are 2 shareholders holding 200 Shares each

** On Sr. No 5 there are 11 shareholders holding 100 Shares each

(b) Our top ten shareholders and the number of Equity Shares held by them ten days prior to the date of this Draft Prospectus are as under:

| Sr. No. | Name of shareholder | No. of Shares | % age of pre-Issue capital |
|---------|---------------------|------------------|----------------------------|
| 1 | Rajesh Gupta | 36,70,515 | 99.67 |
| 2 | Saruchi Gupta | 10,000 | 0.27 |
| 3 | Neeraj Gupta | 500 | 0.01 |
| 4* | Marut Arora | 200 | Negligible |
| 4* | Yukti Dhammi | 200 | Negligible |
| 5** | Arun Bhanot | 100 | Negligible |
| 5** | BimlaWati | 100 | Negligible |
| 5** | Davinder Kumar | 100 | Negligible |
| 5** | Yashpal Setia | 100 | Negligible |
| 5** | Gauri Arora | 100 | Negligible |
| 5** | Hemant Arora | 100 | Negligible |
| 5** | Kapil Mehra | 100 | Negligible |
| 5** | Ravi Goel | 100 | Negligible |
| 5** | S.S Bhola | 100 | Negligible |
| 5** | Rajesh Gupta | 100 | Negligible |
| 5** | Surjit Singh | 100 | Negligible |
| | Total | 36,82,515 | 100.00 |

*On Sr. No. 4 there are 2 shareholders holding 200 Shares each

** On Sr. No 5 there are 11 shareholders holding 100 Shares each



(c) Our top ten shareholders and the number of Equity Shares held by them two years prior to date of this Draft Prospectus are as under:

| Sr. No. | Name of shareholder | No. of Shares | % age of pre-Issue capital |
|---------|---------------------|------------------|----------------------------|
| 1 | Rajesh Gupta | 36,70,515 | 99.67 |
| 2 | Saruchi Gupta | 10,000 | 0.27 |
| 3* | Marut Arora | 200 | Negligible |
| 3* | Yukti Dammi | 200 | Negligible |
| 4** | Arun Bhanot | 100 | Negligible |
| 4** | BimlaWati | 100 | Negligible |
| 4** | Davinder Kumar | 100 | Negligible |
| 4** | Chawla Khanna | 100 | Negligible |
| 4** | Yashpal Setia | 100 | Negligible |
| 4** | Gauri Arora | 100 | Negligible |
| 4** | Hemant Arora | 100 | Negligible |
| 4** | Kapil Mehra | 100 | Negligible |
| 4** | Pawanjit Singh | 100 | Negligible |
| 4** | Krishna Arora | 100 | Negligible |
| 4** | Priya Chopra | 100 | Negligible |
| 4** | Ravi Goel | 100 | Negligible |
| 4** | S.S Bhola | 100 | Negligible |
| 4** | Shivam Traders | 100 | Negligible |
| 4** | Rajesh Gupta | 100 | Negligible |
| 4** | Surjit Singh | 100 | Negligible |
| | Total | 36,82,515 | 100.00 |

*On Sr. No. 3 there are 2 shareholders holding 200 Shares each

** On Sr. No 4 there are 16 shareholders holding 100 Shares each

15. There is no "Buyback", "Standby", or similar arrangement for the purchase of Equity Shares by our Company/Promoters/Directors/Lead Manager for purchase of Equity Shares offered through this Draft Prospectus.

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

17. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed in paragraph on "Basis of Allotment" on page 210 of this Draft Prospectus.

18. As on date of filing of this Draft Prospectus, the entire issued share capital of our Company is fully paid-up.

19. The Equity Shares Issued pursuant to this Issue shall be made fully paid-up.

20. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in the Issue. 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 the Promoters and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.

21. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.



- 22.** On the date of filing this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.
- 23.** Our Company has neither issued any Equity Shares out of revaluation reserves nor issued any bonus shares out of capitalization of revaluation reserves or no shares have been issued for consideration other than cash.
- 24.** Lead Manager to the Issue viz. Guinness Corporate Advisors Private Limited does not hold any Equity Shares of our Company.
- 25.** Our Company has not revalued its assets since incorporation.
- 26.** Our Company has not made any public issue since incorporation.
- 27.** There will be only one denomination of the Equity Shares of our Company unless otherwise permitted by law, our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.
- 28.** There will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from submission of this Draft Prospectus until the Equity Shares to be issued pursuant to the Issue have been listed.
- 29.** Except as disclosed in this Draft Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) months from the date of opening of the Issue, by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
- 30.** At any given point of time, there shall be only one denomination for a class of Equity Shares of our Company.
- 31.** Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any shares to our employees under ESOS/ESPS scheme from the proposed Issue. As and when, options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Employee Stock Option Scheme and Employees Stock Purchase Plan) Guidelines 1999.
- 32.** An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
- 33.** No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
- 34.** Our Company has 16 members as on the date of filing of this Draft Prospectus been issued and allotted as fully paid-up shares at the time of allotment.



OBJECTS OF THE ISSUE

The objects of the issue are primarily to raise the capital for following business and operational requirements of the Company:

1. To meet the working capital requirement
2. To meet the expenses of the Issue

The objects of the Issue are also to achieve the benefits of listing on the SME platform of BSE Ltd. We believe that listing will enhance the visibility and corporate image of our Company.

The main objects of our Memorandum of Association permit us to undertake our existing activities and the activities for which the funds are being raised by us, through the present issue. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

The Details of the proceeds of the Issue are as mentioned below:

| (Rs. in Lacs) | |
|---|----------------|
| Particulars | Amount |
| To meet the working capital requirement | 1163.64 |
| To meet the Issue Expenses | 37.00 |
| Total | 1200.64 |

Means of Finance

| (Rs. in Lacs) | |
|-------------------------|----------------|
| Particulars | Amount |
| Proceeds from the Issue | 1200.64 |
| Internal Accruals | Nil |
| Total | 1200.64 |

We propose to meet the entire requirement of funds for the Objects from the Proceeds of the issue. Accordingly, the requirement under Regulation 4(2)(g) of the SEBI ICDR Regulations of firm arrangements of finance through verifiable means for the 75% of the stated means of finance is not applicable.

In the event of a shortfall in raising the requisite capital from the proceeds of the issue, towards meeting the Objects of the issue, the extent of the shortfall will be met by internal accruals and/or from fresh debt.

The fund requirements, the deployment of funds and the intended use of the Issue Proceeds as described herein are based on our current business plan, management estimates, and have not been appraised by any bank, financial institution or any other external agency. Given the dynamic nature of our business, we may have to revise our business plan from time to time and consequently our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors such as market conditions, competitive environment, costs of commodities and interest/ exchange rate fluctuations which may not be within the control of our management.

In case of variations in the actual utilisation of funds earmarked for the purposes set forth above or shortfall in the Issue Proceeds, 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.

DETAILS OF THE OBJECTS OF THE ISSUE

I. To meet the working capital requirement of the Company

Our business is working capital intensive. We finance our working capital requirement from various banks / financial institutions and from our internal accruals. As on date, the Company's working capital funding sanctioned from Punjab National Bank is of Rs. 700.00 Lakhs (fund based). Considering the existing and future growth, the total working capital needs of our Company, as assessed based on the internal workings of our Company is



expected to reach Rs. 1071.69 Lakhs for FY 2016- 2017 and Rs. 2364.84 Lakhs for FY 2017-18. We intend to meet our working capital requirements to the extent of Rs. 1163.64 Lakhs from the Proceeds of this Issue and the balance will be met from internal accruals and borrowings at an appropriate time as per the requirement.

Basis of estimation of working capital requirement and estimated working capital requirement:

(Rs. In Lakhs)

| Particulars | 31.3.2016 Restated | 31.3.2017 Estimated | 31.3.2018 Estimated |
|---|-----------------------|------------------------|------------------------|
| Current Assets | | | |
| Inventories | 524.40 | 905.00 | 1110.77 |
| Trade receivables | 1637.67 | 1390.41 | 2697.76 |
| Short term Loans and advances | 374.10 | 120.43 | 130.43 |
| Total Current Assets (A) (Excluding Cash and cash equivalents) | 2536.17 | 2415.84 | 3938.96 |
| Current Liabilities | | | |
| Trade Payables | 1508.01 | 930.57 | 1190.75 |
| Other Current Liabilities | 323.08 | 315.59 | 216.12 |
| Short Term Provisions | 54.20 | 97.99 | 167.25 |
| Total Current Liabilities (B) | 1885.29 | 1344.15 | 1574.12 |
| Net Working Capital (A-B) | 650.88 | 1071.69 | 2364.84 |
| | | | |
| Sources of working capital | | | |
| From Bank Funding | 495.94 | 700.00 | 700.00 |
| From Internal accruals | 154.94 | 371.69 | 501.20 |
| From Issue Proceeds | Nil | Nil | 1163.64 |

Assumptions for working capital requirements

(In Number of Days)

| Particulars | Holding level as of 31.3.2016 | Holding level as of 31.03.2017 | Holding level as of 31.03.2018 |
|----------------------------|----------------------------------|-----------------------------------|-----------------------------------|
| Current Assets | | | |
| <u>Inventories</u> | | | |
| Raw Material | 15 | 30 | 23 |
| Stock in Process | 13 | 11 | 6 |
| Finished Goods | 15 | 19 | 12 |
| Trade receivables | 109 | 72 | 79 |
| Current Liabilities | | | |
| Trade Payables | 138 | 63 | 47 |

Justification of 'Holding Period' levels

| Particulars | Justification |
|--------------------------|--|
| Inventories | In FY 2016-17 and FY 2017-18, we have assumed Raw Material Inventory around 30 days and 23 days which is slightly higher than FY 2015-16 level of 15 days, as we aim to achieve higher production. We have assumed Stock in Process Inventory around 11 days in FY 2016-17 and 6 Days in FY 2017-18 in line with our expansion process. Further we have assumed finished goods inventory of around 19 days and 12 days in FY 2016-17 and FY 2017-18 as compared to 15 days in FY 2015-16 as we aim to expand our manufacturing operations. |
| Trade Receivables | In FY 2016-17 and FY 2017-18, the trade receivable holding period is estimated to slightly decrease from 109 days in FY 2015-16 to 72 and 79 days respectively. The decrease is expected as we intend to have a stringent debtors management policy. |
| Trade Payables | In FY 2016-17 and FY 2017-18, the credit period is expected to be 63 days and 47 days respectively as compared to 138 days in FY 2015-16 as the company will strive to adhere to |



| | |
|--|---|
| | stricter credit policy to achieve better and favourable pricing terms and ensure continued relationship with existing suppliers |
|--|---|

II. Issue Expenses

The total estimated issue expenses are Rs. 37.00 Lacs which is 3.08 % of issue size. The details of issue expenses are tabulated below:

| (Rs. in Lacs) | | | | |
|---------------|--|--------------|---------------------|-----------------------|
| Sr. No. | Particulars | Rs. In Lacs | % of Total Expenses | % of Total Issue Size |
| 1. | Issue management fees including fees selling commissions, brokerages, and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses. | 28.00 | 75.67 | 2.33 |
| 2. | Printing & Stationery, Distribution, Postage, etc | 3.00 | 8.11 | 0.25 |
| 3. | Advertisement & Marketing Expenses | 3.00 | 8.11 | 0.25 |
| 4. | Regulatory & other expenses | 3.00 | 8.11 | 0.25 |
| Total | | 37.00 | 100.00 | 3.08 |

Proposed year-wise deployment of funds:

The overall cost of the proposed Project and the proposed year wise break up of deployment of funds are as under:

| (Rs. In Lacs) | | | |
|--|------------------|----------------|----------------|
| Particulars | Already Incurred | FY 2017 – 18 | Total |
| To meet the working capital requirement of the Company | - | 1163.64 | 1163.64 |
| Issue Expenses | 1.43 | 35.57 | 37.00 |
| Total | 1.43 | 1199.21 | 1200.64 |

Details of funds already deployed till date and sources of funds deployed

The funds deployed up to December 26, 2016 pursuant to the object of this issue as certified by the Auditors of our Company, viz. M/s Ajay K. Khanna & Co., Chartered Accountants pursuant to their certificate dated January 03, 2017 is given below:

| (Rs. in Lacs) | |
|---------------------|-------------|
| Deployment of Funds | Amount |
| Issue Expenses | 1.43 |
| Total | 1.43 |

| (Rs. in Lacs) | |
|-------------------|-------------|
| Sources of Funds | Amount |
| Internal Accruals | 1.43 |
| Total | 1.43 |

Note: The amount deployed so far towards “Objects of the Issue” out of internal accruals will be recouped from the proceeds of the Issue.

Appraisal by appraising agency

None of the objects have been appraised by any bank or financial institution or any other independent third party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on quotations received by us and management estimates. The funding requirements of our Company



are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

Bridge financing facilities

We have currently not raised any bridge loans against the proceeds of the issue. However, depending on our requirement, we might consider raising bridge financing facilities, pending receipt of the proceeds of the issue.

Shortfall of funds

Any shortfall in meeting the Objects of the issue will be met by way of internal accruals.

Interim use of funds

Our Company, in accordance with the policies established by the Board from time to time, will have flexibility to deploy the issue proceeds. The issue proceeds of the issue pending utilization for the purposes stated in this section, shall be deposited 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 it shall not use the issue proceeds of the issue for any investment in the equity markets.

Monitoring of utilization of funds

There is no requirement for a monitoring agency as the Issue size is less than Rs. 50,000 Lacs. Pursuant to Regulation 32(3) of the SEBI 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 fiscal year.

Further, in accordance with Regulation 32(1)(a) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchange 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 Draft Prospectus.

Variation in Objects

In accordance with Section 27 of the Companies Act 2013, our Company shall not vary object of the Issue without our Company being authorized to do so by our shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules thereunder. As per the current provisions of the Companies Act, our Promoters or controlling shareholders would 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

There is no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel and Group Entities, in relation to the utilisation of the proceeds of the Issue. No part of the proceeds of the Issue will be paid by us as consideration to our Promoter, our Directors or key managerial personnel or our Group Entities, except in the normal course of business and in compliance with the applicable laws.



BASIC TERMS OF THE ISSUE

The Equity Shares, now being issued, are subject to the terms and conditions of this Draft Prospectus, Prospectus, Application form, Confirmation of Allocation Note ("CAN"), the Memorandum and Articles of Association of our Company, the guidelines for listing of securities issued by the Government of India and SEBI (ICDR) Regulations, 2009, the Depositories Act, Stock Exchanges, RBI, ROC and/or other authorities as in force on the date of the Issue and to the extent applicable.

In addition, the Equity Shares shall also be subject to such other conditions as may be incorporated in the Share Certificates, as per the SEBI (ICDR) Regulations, 2009 notifications and other regulations for the issue of capital and listing of securities laid down from time to time by the Government of India and/or other authorities and other documents that may be executed in respect of the Equity Shares.

Authority for the Issue

The present issue has been authorized pursuant to a resolution of our Board dated September 03, 2016 and by Special Resolution passed under Section 62 (1) (c) of the Companies Act, 2013 at the Annual General Meeting of our shareholders held on September 30, 2016.

Other Details

| | |
|-------------------------------------|---|
| Face Value | Equity Share shall have the face value of Rs.10/- each. |
| Issue Price | Equity Share is being offered at a price of Rs. 80/- each. |
| Market Lot and Trading Lot | The Market lot and Trading lot for the Equity Share is 1600 (One Thousand Six Hundred) and the multiple of 1,600; subject to a minimum allotment of 1,600 Equity Shares to the successful applicants. |
| Terms of Payment | 100% of the issue price of Rs.80/- shall be payable on Application. For more details please refer to " <i>Issue Procedure</i> " to page 178 of this Draft Prospectus. |
| Ranking of the Equity Shares | The Equity Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividends with the existing Equity Shares of the Company. |

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the issuer does not receive the subscription of 100% of the Issue through this offer 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 fifteen days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under Section 40 of the Companies Act, 2013.

For further details, please refer to section titled "*Terms of the Issue*" beginning on page 172 of this Draft Prospectus.



BASIS FOR ISSUE PRICE

Investors should read the following basis with the “Risk Factors” beginning on page 11 and the details about the “Our Business” and its “Financial Information” included in this Draft Prospectus on page 68 & 107 respectively to get a more informed view before making any investment decisions.

Qualitative Factors

Some of the qualitative factors which may form the basis for computing the Issue Price include the following:

- Experienced Promoters and management team
- Quality Assurance and Standards
- Strong Marketing capability
- Cordial relationship with Customers, suppliers and employees
- Focus on Research and Development

Quantitative Factors

1. Information presented in this section is derived from our Company’s restated financial statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as set forth below: **Basic Earnings and Diluted Earnings Per Equity Share (EPS) as per Accounting Standard 20**

| Period | Basic and Diluted EPS (in Rs.) | Weight |
|---|---------------------------------------|---------------|
| March 31, 2014 | 0.52 | 1 |
| March 31, 2015 | 1.10 | 2 |
| March 31, 2016 | 4.49 | 3 |
| Weighted Average | 2.70 | |
| For the period ended September 30, 2016* | 4.02 | |

**Not annualised*

Notes:

- i. The Figures disclosed above are based on the restated financial statements of the Company.
- ii. The earnings per share has been calculated by dividing the 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 AS 20. The face value of each Equity Share is Rs. 10/-
- iii. The above ratios should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements.

2. Price / Earnings Ratio (P/E) in relation to the Issue Price of Rs. 80.00

| Particulars | PE Ratio |
|--|-----------------|
| P/E ratio based on the Basic & Diluted EPS, as restated for FY 2015-16 | 17.82 |
| P/E ratio based on the Weighted Average EPS, as restated | 29.63 |

Industry PE:

| Industry P/E – Pharmaceuticals – Indian - Formulations | PE Ratio |
|---|-----------------|
| Highest (Medicamen Biotech Limited) | 137.90 |
| Lowest (Lincoln Pharmaceuticals Limited) | 14.60 |
| Average of Highest and Lowest | 76.30 |

(Source: Capital Market, Vol. XXXI/25 dated January 30 – February 12, 2017)

3. Return on Net Worth

| Period | RONW (%) | Weight |
|----------------|-----------------|---------------|
| March 31, 2014 | 7.11% | 1 |



| | | |
|---|---------------|---|
| March 31, 2015 | 12.97% | 2 |
| March 31, 2016 | 34.69% | 3 |
| Weighted Average | 22.85% | |
| For the period ended September 30, 2016* | 23.69% | |

*Not annualised.

Note: The RONW has been computed by dividing net profit after tax (as restated), by Networth (as restated)

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

- Based on Basic and Diluted EPS, as restated of FY 2015-16 Rs. 4.49 at an Issue Price of Rs. 80: 12.75 % on the restated financial statements.
- Based on Adjusted Weighted Average EPS, as restated of Rs. 2.70 at an Issue Price of Rs. 80: 7.66 % on the restated financial statements.

5. Net Asset Value (NAV) per Equity Share:

| S. No. | Particulars | (Rs.) |
|--------|--------------------------|-------|
| a) | As on March 31, 2016 | 12.95 |
| b) | As on September 30, 2016 | 16.98 |
| c) | After Issue | 35.22 |
| d) | Issue Price | 80.00 |

Note: NAV has been calculated as restated networth divided by number of Equity Shares at the end of the year

6. Peer Group Comparison of Accounting Ratios:

| Particulars | EPS (Rs) (31.3.2016) | PE Ratio | RONW (%) | NAV(Rs) | Face Value |
|---|-------------------------|----------|----------|---------|------------|
| ANG Lifesciences India Limited | 4.49 | 17.82 | 34.69 | 12.95 | 10.00 |
| Peer Group* | | | | | |
| Kwality Pharmaceuticals Limited (Standalone) | 4.14 | 23.19 | 8.35 | 45.06 | 10.00 |
| Bliss GVS Pharma Limited (Standalone) | 6.36 | 23.08 | 15.19 | 418.88 | 1.00 |
| Caplin Point Laboratories Limited (Nine months period ended 31.03.2016) | 29.99 | 13.23 | 35.37 | 84.80 | 10.00 |

*Source: bseindia.com and Annual Reports of respective Companies

For calculating PE ratio market price as on March 06, 2017 is considered

Notes:

- All comparisons of the Peers and our Company are as per the Financials for the year/period ended March 31, 2016
- The peer group identified is broadly based on the service lines that we are into, but their scale of operations is not comparable to us.
- The figures of ANG Lifesciences India Limited are based on restated financial statements.

7. The face value of our share is Rs.10/- per share and the Issue Price is of Rs.80 per share are 8.00 times of the face value.

8. The Company in consultation with the Lead Manager believes that the Issue Price of Rs. 80/- per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the "Risk Factors" on page 11 and "Financial Information" on page 107 including important profitability and return ratios, as set out in the Auditors' Report in this Draft Prospectus to have more informed view about the investment proposition.



STATEMENT OF TAX BENEFITS

To,
The Board of Directors
ANG Lifesciences India Limited
Darbara Complex, SCO 113, First Floor,
District Shopping Centre B Block,
Ranjit Avenue, Amritsar – 143 001.

Dear Sirs,

Sub: Statement of possible special tax benefits available to ANG Lifesciences India Limited (the Company) and its shareholders on proposed Public Issue of Shares under the existing tax laws prepared in accordance with the requirements in Schedule VIII Clause (VIII) (L) of the SEBI (ICDR) Regulations 2009 and amendments thereof.

We hereby confirm that the enclosed Annexure, prepared by the management of the Company, states the possible tax benefits available to the Company and the shareholders of the Company under the Income-tax Act, 1961 ('IT Act') and as amended by the Finance Act, 2016 (i.e. applicable for financial year 2016-17, relevant to the assessment year 2017-18), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company or its Shareholders. 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 and the interpretation of the current tax laws in force in India.

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

- The Company or its shareholders will continue to obtain these benefits in future; or
- The Conditions prescribed for availing the benefits have been or would be met.

The contents of the annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

No assurance is given that the revenue authorities / courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We would not assume responsibility to update the view, consequence to such change. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct.

Thanking you,
Yours faithfully,
For Ajay K. Khanna & Co.
Chartered Accountants
Firm Registration No.: 012303N

Sd/-

CA Bhupinder Singh
Partner
Membership No. 513899



Place: Amritsar
Date: 04.11.2016

Annexure

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

A) SPECIAL TAX BENEFITS AVAILABLE TO OUR COMPANY AND ITS SHAREHOLDERS

I. Special Benefits available to our Company

ANG Lifesciences India Limited has an undertaking in Himachal Pradesh which is eligible for the purpose of deduction under section 80IC of the Income-tax Act, 1961 ("the Act"). In accordance with and subject to the conditions specified in section 80IC of the Act, the Company may be entitled for a deduction of an amount equal to 100 percent of profits or gains derived for first 5 years and 30 percent of profits or gains derived for next 5 years in respect of profits derived by such undertaking.

II. Special Benefits available to the Shareholders of our Company

There are no special tax benefits available to the Equity Shareholders.

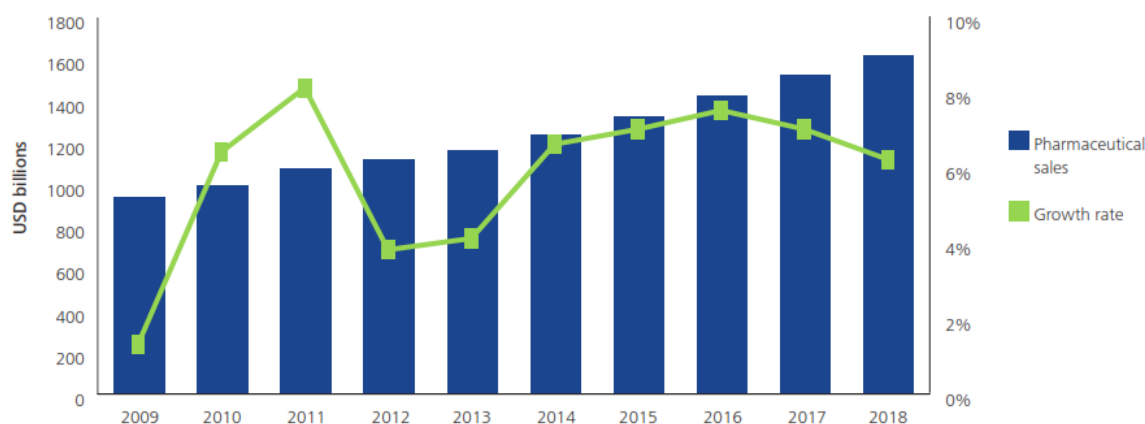
SECTION IV - ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The Global Pharmaceutical Industry

According to the Economic Intelligence Unit (EIU), pharmaceutical sales are projected to increase an average of 6.9 percent annually over 2014-2018, outpacing the estimated global health care spending rate of 5.2 percent during that same period. Total pharma revenues are expected to increase from \$1.23 trillion in 2014 to \$1.61 trillion in 2018. In addition to oncology drugs, the cardiovascular therapeutic class will likely prosper, with four of the 10 projected blockbusters drugs belonging to the category. Spending on midmarket prescription drugs used for treating common chronic diseases is likely to stagnate as prices fall. Demand for generic drugs will continue to rise as payors take advantage of patent expiries to reduce costs.

The Global pharmaceutical revenues are presented in below mentioned graph.



Source: Deloitte – Report on Global Life Sciences Outlook

The Indian Pharmaceutical 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.

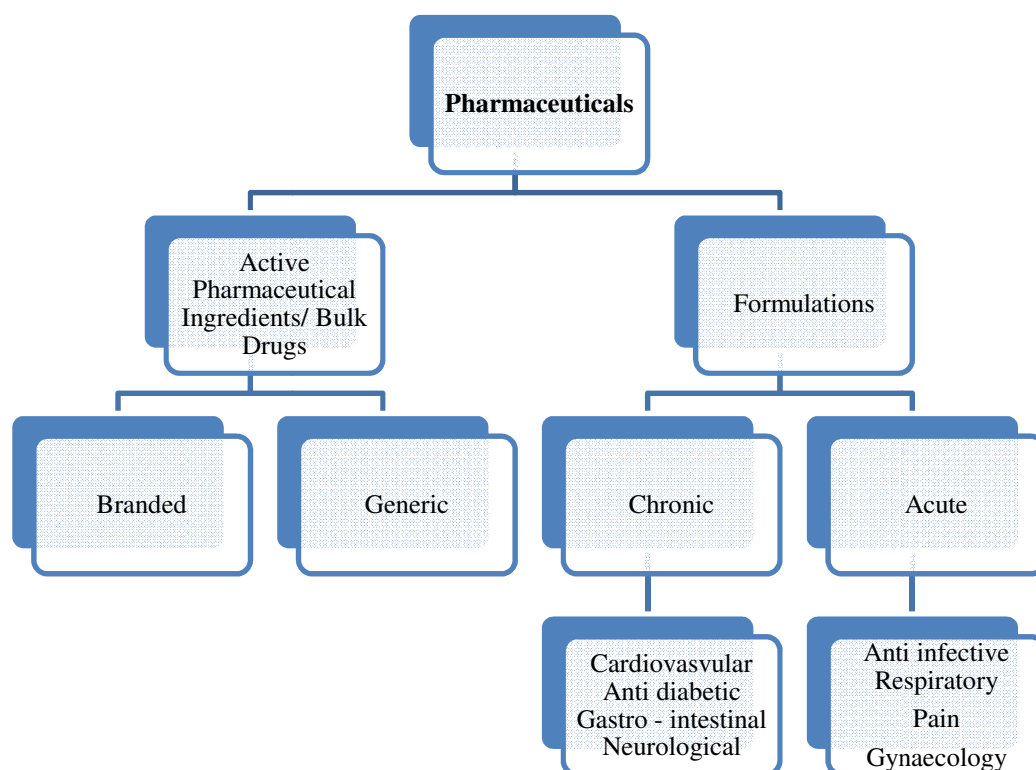
India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers who have the potential to steer the industry ahead to an even higher level. Presently over 80 per cent of the antiretroviral drugs used globally to combat AIDS (Acquired 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.

Overview

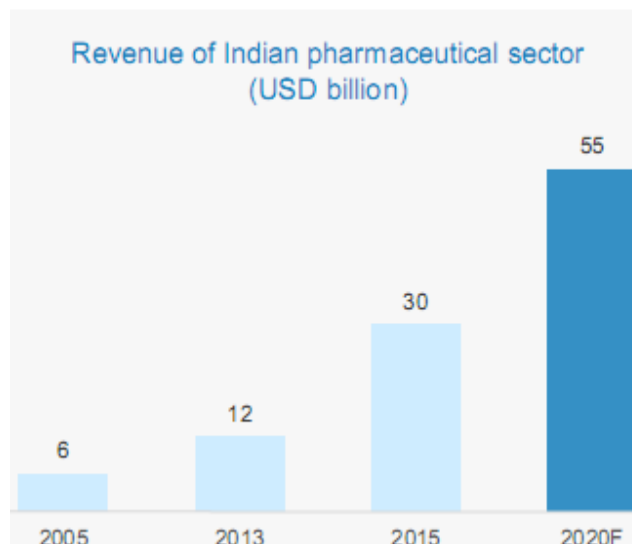
| | |
|---------------------------------------|--|
| Leading pharma producer | <ul style="list-style-type: none"> Indian pharmaceutical sector accounts for about 2.4 percent of the global pharmaceutical industry in value terms and 10 percent in volume terms |
| One of the highest exports | <ul style="list-style-type: none"> India accounts for 20 percent of global exports in generics |
| Among fastest growing industries | <ul style="list-style-type: none"> The country's pharmaceutical industry is expected to expand at a CAGR of 22.42 percent over 2015–20 to reach USD 55 billion |
| Rapidly growing healthcare sector | <ul style="list-style-type: none"> Indian healthcare sector, one of the fastest growing sectors, is expected to advance at a CAGR of 17 percent to reach USD 250 billion over 2008–20 |
| Growing generics market | <ul style="list-style-type: none"> The generics market is expected to grow to USD 26.1 billion by 2016 from USD 14.2 billion in 2015; India's generics market has immense potential for growth |
| Ranked 5th in terms of attracting FDI | <ul style="list-style-type: none"> Cumulative FDI inflows worth USD 13.3 billion from April 2000 to May 15 Attracted 5.19 percent of the total FDIs into India from April 2000 to May 15 |

Structure of Pharmaceutical Sector in India



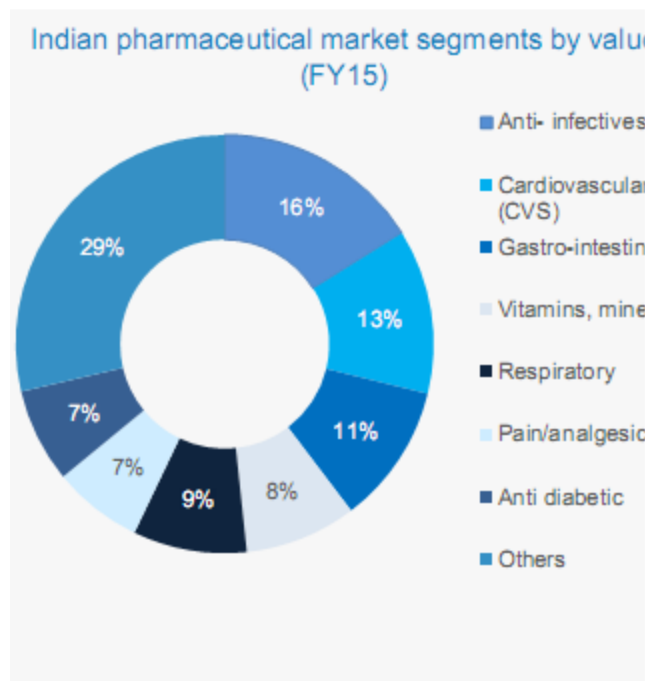
Revenue trend of Indian Pharmaceutical Sector

- The Indian Pharmaceuticals market increased at a CAGR of 17.46% in 2015 from USD 6 billion in 2005, and is expected to expand at a CAGR of 15.92% to USD 55 billion by 2020
- By 2020, India is likely to be among the top three pharmaceutical markets by incremental growth and sixth largest market globally in absolute size
- India's cost of production is significantly lower than of the US and almost half of that of Europe. It gives a competitive edge to India over others.
- Increase in the size of middle class households couples with the improvement in medical infrastructure and increase in the penetration of health insurance in the country will also influence in the growth of pharmaceuticals sector



Indian Pharmaceutical market segments by value

- Anti infective drugs command the largest share (16 percent) in the Indian pharma market
- The cardiovascular segment represents 13 percent of the market share; its contribution is likely to rise due to the growing number of cardiac cases in India
- Gastro- intestinal contributes around 11percent of the total value of pharma industry in India. With increasing number of research in gastroenterology, segment is going to grow at significant pace in coming years
- Top five segments contribute nearly 57 percent to the total drugs consumption
- In FY 15, anti infectives grew at 22%, gastrointestinal at 23.4%, pain and analgesics at 16.5%, cardiovascular at 19.1% antidiabetic grew at 32.9% respiratory segment grew at 27.8%, derma market grew by 19.2% and urology by 29.5%



Advantage for India

Cost efficiency

- Low cost of production and R&D boosts efficiency of Indian pharma companies
- India's cost of production is approximately 60 per cent lower than that of the US and almost half of that of Europe
- Due to lower cost of treatment, India is emerging as a leading destination for medical tourism

Economic drivers

- Economic prosperity to improve drug affordability
- Increasing penetration of health insurance
- With increasing penetration of chemists, especially in rural India, OTC drugs will be readily available

Policy support

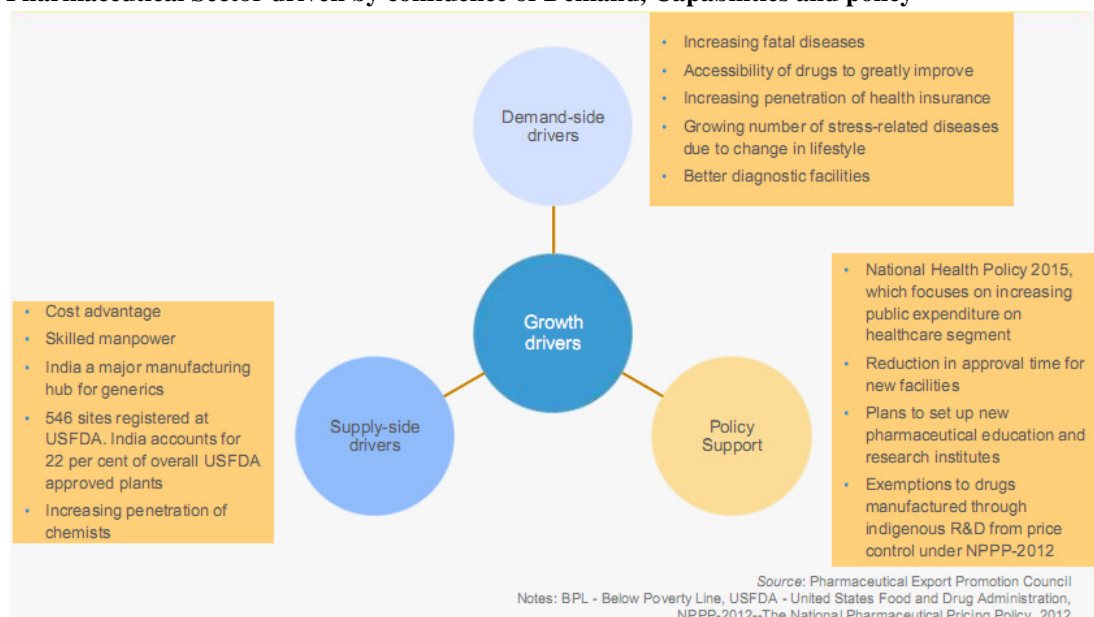
- Government unveiled 'PharmaVision 2020' aimed at making India a global leader in end-to-end drug manufacturer
- Reduced approval time for new facilities to boost investments
- In this sector, 100 percent FDI is allowed under automatic route

Diversified portfolio

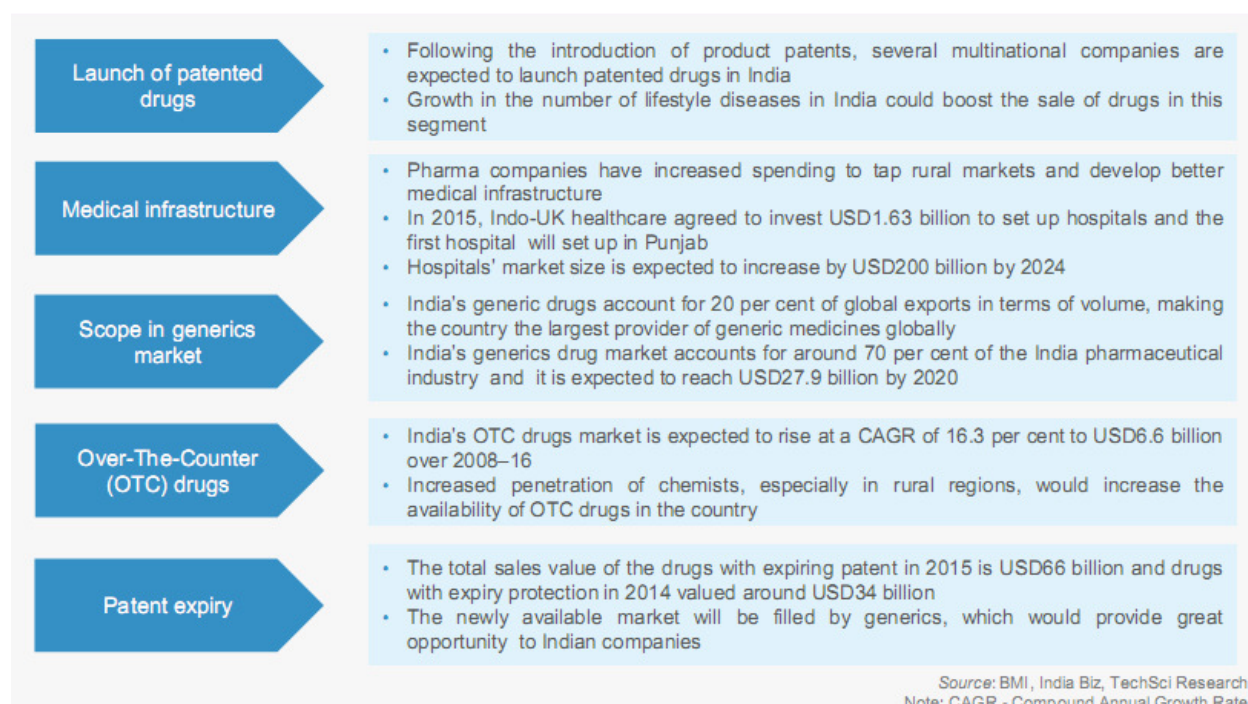
- Accounts for over 10 percent of the global pharmaceutical production
- Over 60,000 generic brands across therapeutic categories. Manufactures more than 500 different APIs
- 49 percent of all drug master filings from India is registered in the USA

Growth Drivers

Pharmaceutical Sector driven by confluence of Demand, Capabilities and policy



Supply side growth drivers



Cost efficiency and competency

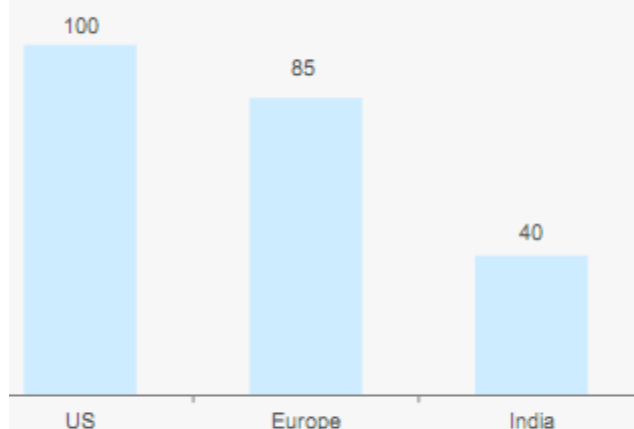
Cost efficiency

- India's cost of production is nearly 60 percent lower than that of the US and almost half of that of Europe
- Labour costs are 50-55 percent cheaper than in western countries
- The cost of setting up a production plant in India is 40 percent lower than in western countries
- Cost efficiency continues to create opportunities for Indian Companies in emerging markets and Africa

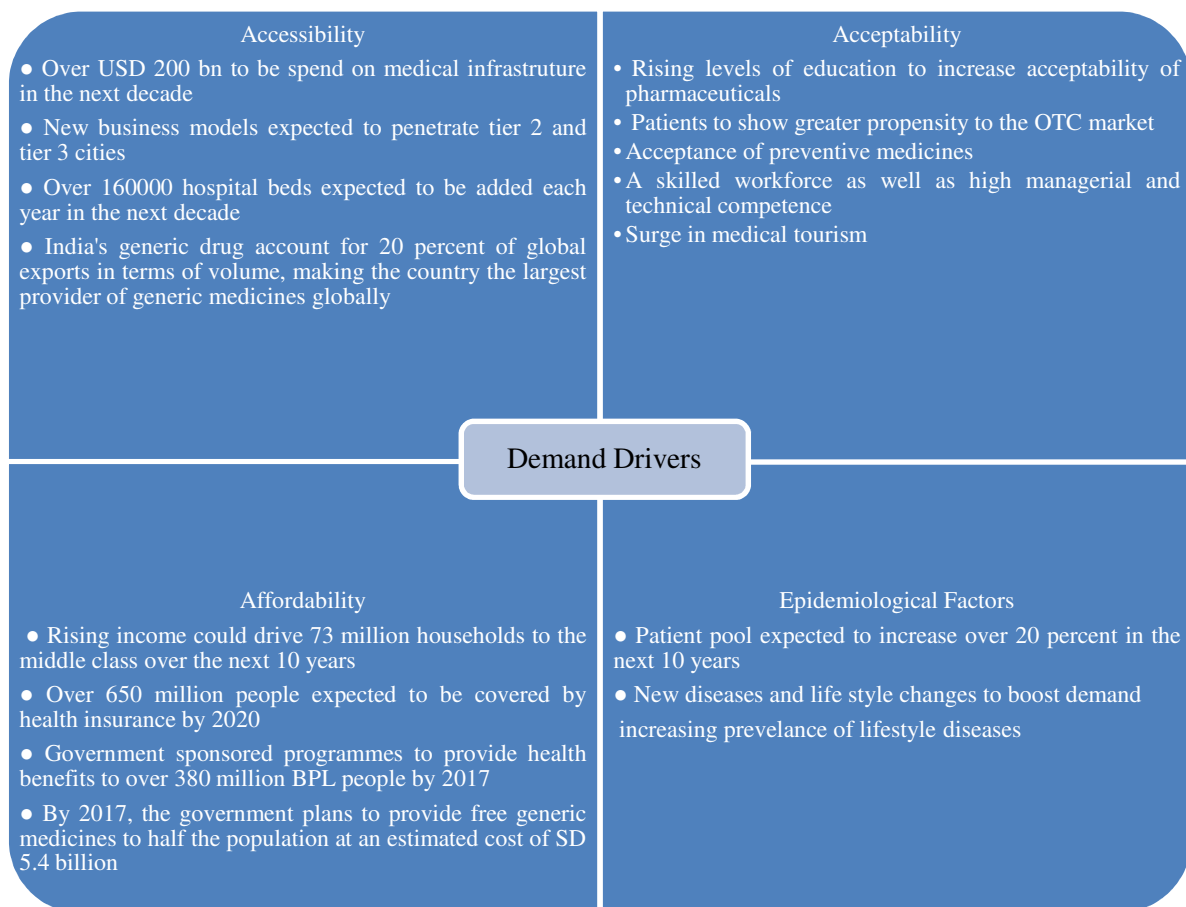
Competency

- India has a skilled workforce as well as high managerial and technical competence in comparison to its peers in Asia
- India has the second largest number of USFDA-approved manufacturing plants outside the US
- India has 2633 FDA-approved drug products
- India has over 546 USFDA-approved company sites, the highest number outside the US

Relative cost of production with US cost as base as on March 2014



Source: Frost and Sullivan Report on Indian Generic Pharmaceuticals Market, BMI, Financial Express, TechSci Research
Note: USFDA - United States Food and Drug Administration

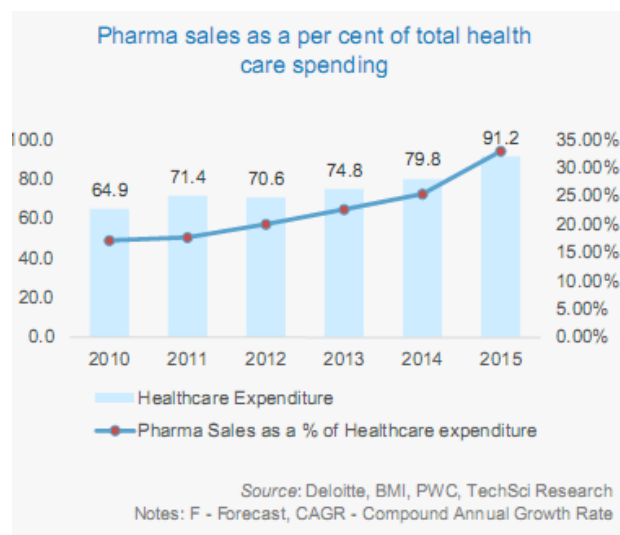


Demand side growth drivers

Anticipated steep growth in expenditure on pharmaceuticals

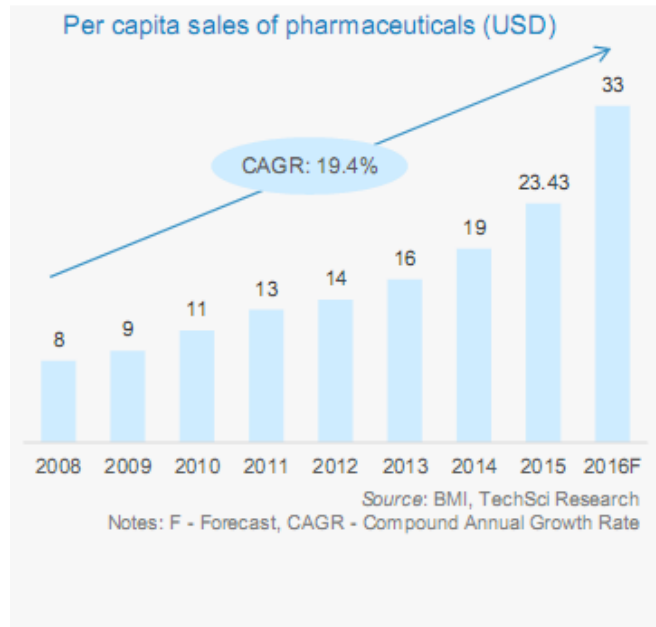
- Over 2010-15, total healthcare spending is expected to rise at a CAGR of 7.04 percent to USD 91.2 billion

- Pharmaceutical sales, as a percentage of total health care spending, are expected to increase to 32.88 percent by 2015



Growing per Capita sales of Pharmaceuticals

- 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 percent to USD33 by 2016F
- Economic prosperity would improve affordability for generic drugs in the market and improve per capita sales of pharmaceuticals in India



Government Policy Support

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),
- 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.



Investments in the Sector

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:

- 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.
- 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.
- Stelis Biopharma 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 Narayana Hrudayalaya hospitals, a multi-speciality healthcare provider, with an aim to expand affordable treatment in eastern, central and western India.
- 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.



Future Growth

- 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 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.

Source: IBEF, Consolidated FDI Policy, Department of Industrial Policy & Promotion (DIPP), Press Information Bureau (PIB), Media Reports, Pharmaceuticals Export Promotion Council, TechSci Research



OUR BUSINESS

In this section “our Company” refers to the Company, while “we”, “us” and “our” refers to ANG Lifesciences India Limited. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our restated financial information. This section should be read together with "Risk Factors" on page 11 and "Industry Overview" on page 59.

Overview

Our company ‘ANG Lifesciences India Limited’ incorporated in the year 2006, engaged in the business of manufacturing and marketing of finished pharmaceutical formulations in a dosage form of sterile dry powder injection vials.

Our registered office is located at Darbara Complex, SCO 113, First Floor, District Shopping Centre B Block, Ranjit Avenue, Amritsar – 143001. We carry out our production through our state-of-the-art manufacturing unit spread over 45,000 Sq. Ft. situated at Village Kishan pura, P.O. Manpura Baddi Nalagarh Road, Tehsil Nalagarh, Dist. Solan, Himachal Pradesh. Presently, our total built up area of 45,000 Sq. Ft. is dedicated to manufacturing of Dry Powder Injectables. Our manufacturing unit is well equipped with modern and validated manufacturing and analytical equipments and detailed standard operating procedures (SOP's) are in place with respect to Quality management, Personnel, Premises, Equipment, Documentation, Production, Complaints and Self Inspection/Audits.

Our company is ISO-9001:2008 certified and has modern & sophisticated plant, equipments, technique and manpower. The planning and construction of plant has been done to conform to the regulatory requirements as per the norms of WHO GMP and GLP as per schedule-M (revised). We manufacture our products in compliance with GMP requirements. We have dedicated area, machinery, facilities and advanced equipments for manufacturing of B-Lactum & Non-B Lactum products as per GMP Norms. As per GMP norms, all the production processes are documented and validated to establish the accuracy of the procedures and the control measures. Our production capacity is 700 Lacs Pcs per annum on per shift basis.

Our products include sterile dry powder vials for Anti Biotics, Anti Ulcerant, Gluco corticoid and Anti inflammatory, Anti malarial and Anesthetic.

Our company's revenues have increased at a CAGR of 68.76% from Rs. 677.08 Lacs in FY 2011-12 to Rs. 5,492.30 Lacs in FY 2015-16; and our Profit after Tax has shown increase from loss of Rs. (171.16) Lacs in FY 2011-12 to profit Rs. 165.48 Lacs in FY 2015-16.

Our Competitive Strength

Experienced Promoters and management team

Our Promoters who also form part of Board of Directors of our Company have played a key role in developing our business and we benefit from their significant experience in the pharmaceuticals business. Our senior management team has a wide experience in the domestic and international pharmaceutical industries, including in the areas of R&D, regulatory affairs, manufacturing, quality control, sales, marketing and finance, our middle management is able and our workers are well trained. We believe that experience of our Promoters and our management team provides us with a significant competitive advantage as we seek to grow in our existing markets and enter new geographies. It is also expected to help us in addressing and mitigating various risks inherent in our business, including technical problems, significant competition, reliance on independent contractors and the global economic crisis etc.

Quality Assurance and Standards

We always aim to offer quality products to our customers. We adopt quality check to ensure the adherence to desired specifications and quality. We have established world class quality standards and our production is based on standards laid down by standard operating procedure (SOP'S) and defined method of working by SOP's. We have



set up a laboratory which is fully equipped for checking the quality of the inputs, processes and finished products and packaging of the products. Our Company maintains complete traceability record of goods as per batch wise, order wise and sale bill wise. Since, our Company is dedicated towards quality products, processes and inputs; we get repetitive orders from our customers as we are capable of meeting their standards.

Strong Marketing capability

Our marketing and distribution network in India comprises a specialized team of over 70 representatives, which enables us to market our products across various states in India. Our distribution network comprises of sales depots and consignment agent. We also market our products to various hospitals and medical institutions, which constitute an important channel for the distribution of our products. Our domestic marketing infrastructure consists of dedicated team, which formulate marketing and promotional strategies for our products. We also conduct periodic training programs for our marketing team. We believe that our marketing strategies, trained sales representatives and distribution network enable us to increase our market share.

Cordial relationship with Customers, suppliers and employees

Our core competency lies in the relationship with our customers and suppliers. Our cordial relationship with our customers help us getting repetitive orders and relationship with suppliers help us in uninterrupted supply of raw materials. We also enjoy cordial relations with our employees and there has been no union of employees. Further, there have been no strikes, lock-out or any labour protest in our organization since inception.

Focus on Research and Development (R & D)

Our R&D efforts are integral to our business and we devote significant resources towards this aspect of our business. We believe in the importance of developing our R&D facilities to maintain our competitiveness. We also recognize the importance of maintaining a workforce of highly qualified employees for R&D. Our Company has set up its own laboratory for quality control and further improvements in technology. Various trials are undertaken in the laboratory to improve the quality and to reduce cost of production. The facilities available are for checking the different parameter of raw materials, Processes and Finished products.

Our Strategies

Expand Product Range

Currently our revenue is largely driven from manufacturing dry injection powder. We have a fully integrated plant capable of manufacturing various other products. Currently we also utilize our plant to manufacture customer specific products. We plan to utilise our manufacturing plant for other products including tablets, liquids injections etc.

Increasing Geographical Presence

We plan to expand our presence in PAN India as well as international market. We intend to expand our global footprint and become a preferred supplier in the industry with the help of increased utilization of capacities, reduced costs, wider range of products adhering to global standards, marketing initiatives, competitive pricing and more efficient use of resources.

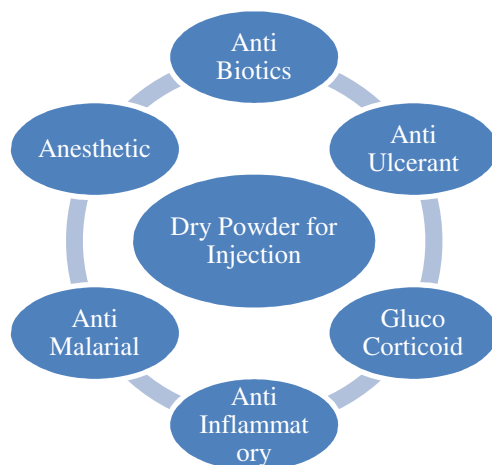
Focus on consistently meeting quality standards

Our Company intends to focus on adhering to the quality standards of the products. Our driving force has always been the quality of our products, as the same would enable us for long standing relationship with our customers. Our technically qualified persons are determined to achieve the objective of zero defects and zero rejection. To complement the efforts of our technical team, we are equipped with testing facilities to ensure that all our products are thoroughly tested prior to dispatch from our factory. Our testing and development laboratory will play an integral role in making improvements in quality of our products and development of special products. Further, we propose to enhance our efficiency by introducing advanced machinery and reducing our dependency on manual



labor thereby capitalizing our method of production. This is necessary so as to make sure that we get repeat orders from our customers.

Product Portfolio



We manufacture finished pharmaceutical formulation category of “Dry Powder for Injections” in the various segments such as:

- Anti Biotics
- Anti Ulcerant
- Gluco Corticoid
- Anti Inflammatory
- Anti Malarial
- Anesthetic

Capacity and Capacity Utilisation

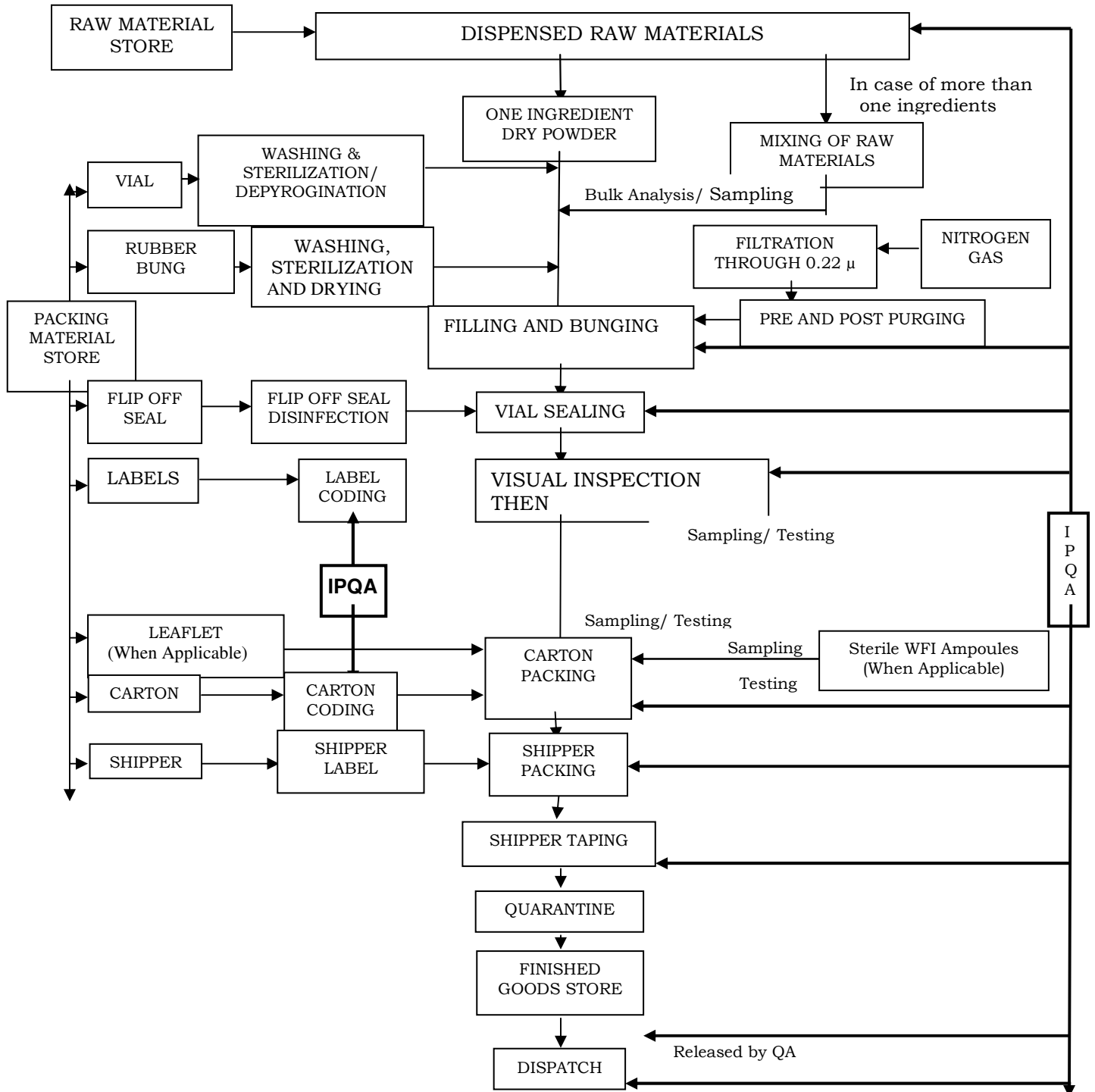
The production and utilized capacities of our Company for manufacturing of “Dry Powder for injection” are set forth in the following table:

| Year | Existing | | | Proposed | | |
|--------------------------------------|------------|------------|------------|------------|------------|------------|
| | FY 2013-14 | FY 2014-15 | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 |
| Installed Capacity (Pieces in Lacs)* | 700.00 | 700.00 | 700.00 | 700.00 | 700.00 | 700.00 |
| Capacity Utilization | 267.95 | 268.95 | 470.75 | 562.35 | 630.15 | 644.00 |
| Capacity Utilization (%) | 38 | 38 | 67 | 80 | 90 | 92 |

*Installed production capacity is determined in terms of no of pieces in single shift basis.



MANUFACTURING PROCESS FLOW DIAGRAM





Collaborations

The Company has so far not entered into any technical or financial collaboration agreement.

Manufacturing Facilities

We carry out our production through our state-of-the-art manufacturing unit spread over 45,000 Sq. Ft. situated at Village Kishanpura, P.O. Manpura Baddi Nalagarh Road, Tehsil Nalagarh, Dist. Solan, Himachal Pradesh. Presently, our total built up area of 45,000 Sq. Ft. is dedicated to manufacturing of Dry Powder Injectables. For further details of ownership / lease of the above location, please refer to “*Our Business – Properties*” on page 74 of this Draft Prospectus.

Plant and Machinery

Major plant and machinery located at our manufacturing unit is mentioned below:

| Sr. No | Name of Machine | Capacity | Qty. in Nos. |
|--------|--|------------------------------|--------------|
| 1 | Purified water system with mixed & double pass RO | 2000 Ltrs/hrs | 1 |
| 2 | Multi column Distillation Plant | 300Ltr./Hr. | 1 |
| 3 | Boiler | 400kg | 1 |
| 4 | D G Set | 380 KVA | 1 |
| 5 | Air Compressor | 120CFM | 1 |
| 6 | Effluent Treatment Plant (ETP) | 3000 Ltr. | 1 |
| 7 | D G set | 62 KVA | 1 |
| 8 | Air Compressor | 114 CFM | 1 |
| 9 | Nitrogen Plant | 4000 Ltrs. | 1 |
| 10 | Wood Fire Boiler | 800kg | 1 |
| 11 | Bung Processor with HPHV System | (900 × 900 × 1200) mm | 2 |
| 12 | Vial Washing Machine with Turn Table | 300 vials/Min. | 2 |
| 13 | Sterilizing & Depyrogenating Tunnel | 300 vials/Min. | 2 |
| 14 | Powder Filling And Stoppering Machine with Turn Table & Swing Conveyer | 300 vials/Min. (Single dose) | 2 |
| 15 | Vial Sealing Machine with Turn Table & Swing Conveyer | 300 vials /Min. | 2 |
| 16 | Hi Speed Sticker Labeling Machine with Turn Table | 10000/hr. | 2 |
| 17 | SS Packing Conveyer | NA | 5 |
| 18 | Carton Coding Machine (Automatic) | NA | 1 |
| 19 | Dynamic Pass Box Between Blending Room and Corridor | NA | 6 |
| 20 | Laminar Air Flow | NA | 10 |
| 21 | Visual Inspection Machine | NA | 2 |

Raw Material

We use the highest quality API's in our formulations as a principal raw material. We procure the APIs from local importers and packing material from domestic market. We generally maintain adequate stock of raw material to cover the existing order book position, which mitigates any adverse effect of non availability of Raw Material. Each raw material is inspected for purity, potency and uniformity assuring only the highest quality products in every formula in order to meet current Good Manufacturing Practices (cGMP).



Water-supply

We require purified and distilled water for our manufacturing process. Water is procured from borewell situated at our factory premises. We store raw water in water tanks having capacity of around 5,000 Ltrs. Water from this tank is distributed to purification and distillation plants. Distilled water used for the manufacturing process is monitored continuously for its conductivity, pH and for the compliance of the tests. The distilled water for injection is distributed to the manufacturing areas through pipelines in a closed loop system with a pressure 1.2kg/sq.mtr.

Power

We have availed of a power connection from Himachal Pradesh State Electricity Board with connected and sanctioned load of 498 KVA which is sufficient to meet our plant requirement at 490 KVA. In addition to the said sanctioned power we have also installed a 380 KVA DG Set with the sanction from Himachal Pradesh State Electricity Board for installing the same.

Human Resources

We require an appropriate mix of skilled, and un-skilled manpower, which is readily available in Himachal Pradesh and at Amritsar where our registered office is located. As on 30.9.2016, our Company had 134 employees. The details of the same are mentioned below:

| S. No. | Particulars | Total Number of Employees | Skilled | Unskilled |
|--------|---------------------------------------|---------------------------|---------|-----------|
| 1 | Plant (Baddi, Himachal Pradesh) | 53 | 52 | 1 |
| 2 | Generic Team | 16 | 16 | - |
| 3 | Ethical Team | 38 | 38 | - |
| 4 | Registered Office (Amritsar, Punjab) | 27 | 21 | 6 |
| | Total | 134 | 127 | 7 |

Health Safety and Environment

We are committed to protecting the health and safety of our employees and workers working in our factory. We have policy in place for health and safety for our workmen which has the following salient features:

- Compliance with relevant Safety and Statutory Regulations and Rules
- Ensuring cleanliness of work place in compliance with the relevant regulations.
- Providing work force with gloves, aprons, face masks and other appropriate tools i.e. helmets at service areas.
- Conducting training lectures on safety, first aid training, fire fighting, mock drills, safety audit, risk analysis, etc.
- Conducting regular assessment on the status of safety, health and environment at the work place and take appropriate measures to improve the same.
- Obligation and responsibility on every employee and worker to perform the tasks ensuring complete safety.

Competition

The pharmaceuticals market is highly competitive and fragmented, and we face competition from various domestic and international manufacturers. Moreover, as we seek to diversify into new geographical areas globally, we may face competition from existing players that have presence in respective markets. In order to counter the competition, our focus would be to provide products that would be in consonance with technical and quality requirements of our customer as well as by trying to offer a competitive pricing model without compromise on the quality.



Export possibility and obligation

We do not have any export possibility and obligation.

Approach to marketing and marketing set-up

The efficiency of the marketing and sales network is critical success of our Company. Our success lies in the strength of our relationship with our customers who have been associated with our Company. Our marketing team through their vast experience and good rapport with clients owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our Company. To retain our customers, our marketing team, regularly interacts with them and focuses on gaining an insight into the additional needs of customers.

Our Properties

Properties owned by us

| Sr. No. | Date of Purchase | Description and area | Used as | Purchase Consideration | Vendors |
|---------|------------------|--|--------------------------|---|--|
| 1. | March 22, 2007 | <u>Area</u> No . 440/542 Khasra 687Kitta 1, Tadadi 3 Bigha 3 Biswe <u>Location</u> Village Kishanpura, Tehsil Nalagarh District Solan, Himachal Pradesh | Used as Factory premises | <u>Amount Paid:</u> Rs. 6,30,000/- <u>Stamp Duty:</u> Rs. 50,400/- | Mr. Gurnaam Singh, Mr. Jagannath, Mr. Bhag Singh, Mr. Ranjit Singh, Mr. Rajeev Kumar |
| 2. | March 22, 2007 | <u>Area</u> Khasra 688 /1/2-12 Kitta 1, Tadadi 2 Bigha 12 Biswe <u>Location</u> Village Kishanpura, Tehsil Nalagarh District Solan, Himachal Pradesh | Used as Factory premises | <u>Amount Paid:</u> Rs. 5,20,000/- <u>Stamp Duty:</u> Rs. 41,600/- | Mr. Bharat Bhushan , Mr. Gurnaam Singh |

Properties taken on lease by us

| Sr. No. | Details/ Location | Description and area | Agreement dated /Valid from | Agreement Valid till |
|---------|--|---|-----------------------------|----------------------|
| 1 | Darbara Complex, SCO 113, First Floor, District Shopping Centre B Block, Ranjit Avenue, Amritsar – 143001. | Area : 1900 Sq Ft. Used as Registered Office of the Company | May 01, 2014 | April 30, 2017 |

Intellectual Properties

Our Company has five registered and valid trademark approvals for various products granted by the Registrar of Trademarks under the Trademark Act, 1999 in India. Further our Company has applied for registration of our logo and also new product related trademarks. For more details about our trademarks please refer to chapter titled “Government and Other Approvals” beginning on page 155 of this Draft Prospectus.

**Insurance Policies**

| S. No. | Name of the policy | Policy No. | Insurance Company | Policy tenure | Assets Covered | Insured Amount | Insurance Premium (Rs.) |
|---------------|---|--------------------|------------------------------------|--------------------------|---|-----------------------|--------------------------------|
| 1 | Standard Fire and Special Perils Policy | 235301/11/2017/233 | Oriental Insurance Company Limited | 27.10.2016 to 26.10.2017 | Factory Building, Plant and Machinery, Stocks | Rs. 19,00,00,000/- | Rs. 1,82,995/- |



KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant sector specific laws, policies and regulations, as prescribed by the Government or State Governments which are applicable for our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive and are only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional legal advice.

Our Company is engaged in the business of manufacturing, selling pharmaceutical products. Our Company is governed by a number of central and state legislations that regulate its business. The following discussion summarizes certain significant Indian laws and regulations that govern our Company's business.

A. LAWS APPLICABLE TO THE PHARMACEUTICAL INDUSTRY

The Drugs and Cosmetics Act, 1940 ("DCA")

The DCA regulates the import, manufacture, distribution and sale of drugs and cosmetics. In view of the provisions of the DCA, no person can import, manufacture, distribute, stock and sell any drugs and cosmetics, except under the licence granted for respective operations by the authority notified under the DCA. The DCA prescribes the standards for purity, identity and strength of drugs and cosmetics while also prohibiting the import of certain categories of drugs and cosmetics. The DCA mandates that every person holding a license must keep and maintain such records, registers and other documents as may be prescribed which may be subject to inspection by the relevant authority. The Drugs and Cosmetics Rules, 1945 ("DC Rules") have been 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 therefor. 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 Essential Commodities Act, 1955 ("ECA")

The ECA gives powers to the Central Government, to control production, supply and distribution of, trade and commerce in certain essential commodities for maintaining or increasing supplies and for securing their equitable distribution and availability at fair prices or for securing any essential commodity for the defence of India or the efficient conduct of military operations. Using the powers under it, various ministries/ departments of the Central Government have issued control orders for regulating production, distribution, quality aspects, movement and prices pertaining to the commodities which are essential and administered by them. The State Governments have also issued various control orders to regulate various aspects of trading in essential commodities such as food grains, edible oils, sugar and drugs. Penalties in terms of fine and imprisonment are prescribed under the ECA for contravention of its provisions.

National Pharmaceuticals Pricing Policy, 2012 ("2012 Policy")

The 2012 Policy replaced the drug policy of 1994 and laid down the principles for pricing of essential drugs as 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 are 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 regulates the price of formulations only, through market based pricing which is different from the earlier principle of cost based pricing.



Accordingly, the formulations are 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 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 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.

Clinical Establishments (Registration and Regulation) Act, 2010 (“CERR Act”)

The CERR Act has been enacted by the Central Government to provide for registration and regulation of all clinical establishments in the country with a view to prescribing the minimum standards of facilities and services provided by them. The CERR Act also seeks to prescribe minimum standards of facilities and services which may be provided by such clinical establishments.

The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954 (“DMRA”)

The 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 Sales Promotion Employees (Conditions of Service) Act, 1976 (“Sales Promotion Act”)

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.

The Indian Boilers Act, 1923 (“Boiler Act”)

Under the provisions of the Boilers Act, an owner of a boiler is required to get the boiler registered and certified for its use. The Boilers Act also provide for penalties for illegal use of boilers.

The Legal Metrology Act, 2009 (“Legal Metrology Act”)

The Legal Metrology Act, replaces the Standard Weights and Measures Act, 1976. The Legal Metrology Act seeks 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 connected therewith or incidental thereto. The key features of the Legal Metrology Act are (a) appointment of Government approved test



centres for verification of weights and measures; (b) allowing the companies to nominate a person who will be held responsible for breach of provisions of the Legal Metrology Act; and (c) more stringent punishment for violation of provisions.

B. ENVIRONMENTAL LAWS

Pharmaceutical manufacturers must also ensure compliance with environmental legislation. Some of the important environmental legislations that are applicable to us are the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, the Water (Prevention and Control of Pollution) Cess Act, 1977 and the Environment Protection Act, 1986. Prior to the undertaking of a project for construction, development or modification of a plant, system or structure, our Company will be required to file an Environment Impact Assessment (“EIA”) with the State Pollution Control Board and the Ministry of Environment and Forests (“MOEF”). The relevant authority will assess the impact of the project on the environment before granting clearance. The clearance may be granted subject to certain conditions/alterations required to be made in the project.

Environment (Protection) Act, 1986 (“EP Act”)

The EP Act was enacted as a general legislation to safeguard the environment from all sources of pollution by enabling coordination of the activities of the various regulatory agencies concerned, to enable creation of an authority with powers for environmental protection, regulation of discharge of environmental pollutants etc. The purpose of the EP 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, such as Water Act and Air Act. It includes water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property.

Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)

The Air Act has been enacted to provide for the prevention, control and abatement of air pollution. The statute was enacted with a view to protect the environment and surroundings from any adverse effects of the pollutants that may emanate from any factory or manufacturing operation or activity. It lays down the limits with regard to emissions and pollutants that are a direct result of any operation or activity. Periodic checks on the factories are mandated in the form of yearly approvals and consents from the corresponding pollution control boards in the state.

Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)

The Water Act was enacted in 1974 in order to provide for the prevention and control of water pollution by factories and manufacturing industries and for maintaining or restoring the wholesomeness of water. The Water Act prohibits the use of any stream or well for the disposal of polluting water, in violation of standards set down by the State Pollution Control Board. The Water Act requires that approvals be obtained from the corresponding pollution control boards in the state.

Water (Prevention and Control of Pollution) Cess Act, 1977 (“Water Cess Act”)

The Water Cess Act has been enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain industries and by local authorities with a view to augment the resources of Central and State Pollution Control Board for the prevention and control of water pollution, constituted under the Water Act.

The Bio Medical Waste (Management and Handling) Rules, 1998 (“BMW Rules”)

The BMW Rules apply to all persons who generate, transport, treat, dispose or handle bio-medical waste in any form. The BMW Rules mandate every occupier of an institution generating bio-medical waste to take steps to ensure that such waste is handled without any adverse effect to human health and environment and to set up biomedical waste treatment facilities as prescribed under the BMW Rules. The BMW Rules further require such persons to apply to the prescribed authority for grant of authorization and submit an annual report to the prescribed authority



and also to maintain records related to the generation, collection, storage, transportation, treatment, disposal, and/ or any form of handling of bio-medical waste in accordance with the BMW Rules and the guidelines issued thereunder.

The Manufacturing, Storage & Import of Hazardous Chemicals Rules, 1989 (“MSIHC Rules”)

The MSIHC Rules, as amended in the year 2000, stipulate that an occupier in control of an industrial activity has to provide evidence for having identified the major accident hazards and taking adequate steps to prevent such major accidents and to limit their consequences to persons and the environment. Further, the occupier has an obligation to show that he has provided necessary information, training and equipment including antidotes to the persons working on the site to ensure their safety. Also, the occupier is under an obligation to notify the concerned authority on the occurrence of a major accident on the site or pipeline within 48 hours.

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 (“Hazardous Waste Rules”)

The Hazardous Waste Rules define the term ‘hazardous waste’ and any person who has control over the affairs of a factory or premises or any person in possession of the hazardous waste is classified as an ‘occupier’. In terms of the Hazardous Waste Rules, occupiers have been, *inter alia*, made responsible for safe and environmentally sound handling of hazardous wastes generated in their establishments and are required to obtain license/authorisation from the respective state pollution control board for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or the like of the hazardous waste.

Noise Pollution (Regulation and Control) Rules, 2000

The Noise Pollution (Regulation and Control) Rules, 2000 seek to regulate and control the noise producing and generating sources including from industrial activity. In terms of the Environment Protection Rules, 1986, as amended from time to time, the maximum permissible sound pressure level for new diesel generator sets with rated capacity up to 1000 Kilovolt Ampere, manufactured on or after January 1, 2005 shall be 75 dB(A) at one meter from the enclosure surface. Integral acoustic enclosure should be provided at the manufacturing stage itself. Every manufacturer / importer of diesel generator sets is further required to have valid certificates of Type Approval and Conformity of Production for each year, for all the product models being manufactured / imported from January 1, 2005. The Central Pollution Control Board is the nodal agency.

Public Liability Insurance Act, 1991 (“Public Liability Act”)

The Public Liability Act as amended, 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. This amount is payable to the insurer.

The Explosives Act, 1884 (“The Explosives Act”)

The Explosives Act, as amended, regulates the manufacture, possession, use, sale, transport, import and export of explosives and empowers the Central Government to make rules for the regulation and prohibition of these activities in relation to any specified class of explosives. Persons lawfully involved in these activities are required to obtain a license from the appropriate authority in terms of the provisions of the Explosives Act.

C. LABOUR LAWS

We are required to comply with certain labour and industrial laws, which includes the Factories Act, 1948, Industries (Development and Regulation) Act, 1951, Industrial Disputes Act, 1947, the Employees’ Provident Funds and Miscellaneous Provisions Act 1952, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965,



Workmen Compensation Act, 1923, the Payment of Gratuity Act, 1972, Contract Labour (Regulation and Abolition) Act, 1970, the Payment of Wages Act, 1948 and the amongst others.

D. INTELLECTUAL PROPERTY LAWS

Intellectual property in India enjoys protection under both common law and statute. The following laws relating to intellectual property also applies to our Company:

The Trade Marks Act, 1999 (“Trademark Act”)

The Trade Marks Act which came into force on December 30, 1999 governs the law pertaining to trade marks in India. A trade mark is essentially any mark capable of being represented graphically and distinguishing goods or services of one person from those of others and includes a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or combination thereof. In India, trademarks enjoy protection under both statutory and common law. Indian trademarks law permits the registration of trademarks for goods and services. Certification trademarks and collective marks can also be registered under the Trademark Act. The Registrar of Trademarks is the authority responsible for registration of the trademarks, settling opposition proceedings and rectification of the register of trademarks. The Trademark (Amendment) Act 2010 has been enacted to cover Indian nationals as well as foreign nationals to secure simultaneous protection of trademarks in other countries. Registration of a trademark grants the owner a right to exclusively use the trademark as a mark of goods and services and prevents the fraudulent use of deceptively similar marks by any third party.

Indian Copyright Act, 1957 (“Copyright Act”)

The Copyright Act provides for registration of copyrights, transfer of ownership and licensing of copyrights, and infringement of copyrights and remedies available in that respect. The Copyright Act affords copyright protection to original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. Once registered, copyright protection lasts for 60 years from the death of the author, subsequent to which the work falls in the public domain and any act of reproduction of the work by any person other than the author would not amount to infringement. The remedies available in the event of infringement of copyright include civil proceedings for damages, account of profits, injunction and the delivery of infringing copies to the copyright owner, as well as criminal remedies, including imprisonment of the accused and imposition of fines and seizure of infringing copies. While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption favouring ownership of the copyright by the registered owner.

The Patents Act, 1970 (“Patents Act”)

The Patents Act governs the patent regime in India. India is a signatory to the Trade Related Agreement on Intellectual Property Rights (“**TRIPS**”); India recognizes both product as well as process patents. The new regime provides for:

- Patent protection period of 20 years;
- Recognition of product patents in respect of food, medicine and drugs;
- Patent protections allowed on imported products; and
- Under certain circumstances, the burden of proof in case of infringement of process patents may be transferred to the alleged infringer. An application for a patent can be filed in any of the 4 patent offices in India.

The Design Act, 2000 (“Design Act”)

The Design Act came into force in May 2001 to consolidate and amend the law relating to protection of designs. A design refers to the features of shape, configuration, pattern, ornamentation or composition of lines or colours applied to any article, in two or three dimensional or both forms. In order to register a design, it must be new and original and must not be disclosed to the public anywhere in India or any other country by publication in tangible form or in any other way prior to the filing date. A design should be significantly distinguishable from known designs or combination of known designs in order for it to be registered. A registered design is valid for a period of



ten years after which can be renewed for a second period of five years, before the expiration of the original period of ten years. After such period the design is made available to the public by placing it in the public domain. In addition to the domestic laws, India is a party to several international intellectual property related instruments including the Patent Co-operation Treaty, 1970, the Paris Convention for the Protection of Industrial Property, 1883, and as a member of the World Trade Organisation, India is a signatory to the Agreement on Trade Related aspects of Intellectual Property Rights, 1995. Our Company's intellectual property rights primarily include patents and trademarks for its various products and process. Our Company spends considerable time and effort on developing new products and rely upon various forms of intellectual property legislation to protect the process as well as the products.

E. TAXATION LAWS

The Central Sales Tax Act, 1956 ("Central Sales Tax Act")

Central Sales Tax Act, as amended, formulates principles for determining (a) when a sale or purchase takes place in the course of inter-state trade or commerce; (b) when a sale or purchase takes place outside a State and (c) when a sale or purchase takes place in the course of imports into or export from India. The Central Sales Tax Act provides for levy, collection and distribution of taxes on sales of goods in the course of inter-state trade or commerce and also declares certain goods to be of special importance in inter-state trade or commerce and specifies 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. Central sales tax is levied on interstate sale of goods. Sale is considered to be inter-state when (a) sale occasions movement of goods from one state to another or (b) is effected by transfer of documents during their movement from one state to another. Central sales tax is payable in the state from which movement of goods commences (that is, from which goods are sold). The tax collected is retained by the state in which it is collected. The Central Sales Tax Act is administered by sales tax authorities of each State. The liability to pay tax is on the dealer, who may or may not collect it from the buyer.

Law on Service Tax

There is no specific legislation on the regulation of service tax as on date and the provisions contained in chapters V and VA (Section 64 to 96-I) of the Finance Act 1994 govern the levy of service tax. Service tax is a tax payable on services provided by the service provider to the Government of India. The Ministry of Finance on June 1, 2015 vide Notification no. 14/2015, amended the current rate of service tax and increased it to 14% from the erstwhile effective rate of 12.36%. The tax gets attracted on the provision of the services, whereas the charge crystallizes only on receipt of the consideration. Service tax is payable both on receipt and actual basis. As the levy of service tax is on the provision of service, the services provided before the date of the levy coming into being would not be liable.

Law on Value Added Tax ("VAT")

VAT is a tax on the final consumption of goods or services and is ultimately borne by the consumer. The term 'value addition' implies the increase in value of goods and services at each stage of production or transfer of goods and services. It is a multi-stage tax with the provision to allow input tax credit on tax at an earlier stage, which can be appropriated against the VAT liability on subsequent sale. This input tax credit in relation to any period means setting off the amount of input tax by a registered dealer against the amount of his output tax. The VAT liability of the dealer/manufacturer is calculated by deducting input tax credit from tax collected on sales during the payment period. If the tax credit exceeds the tax payable on sales in a month, the excess credit will be carried over to the end of next fiscal year. If there is any excess unadjusted input tax credit at the end of second year, then the same will be eligible for refund. VAT is basically a state subject, derived from Entry 54 of the State List, for which the states are sovereign in taking decisions. The state governments, through taxation departments, carry out the responsibility of levying and collecting VAT in the respective states. The Central Government facilitates the successful implementation of VAT. The Ministry of Finance is the main agency for levying and implementing VAT, both at the Centre and the State level.

**Other Laws**

Our Company must also comply at all times with the provisions of various other laws, rules and regulations including The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008, The Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989, The Chemical Accidents (Emergency Planning Preparedness and Response) Rules, 1996, The Bio-Medical Waste (Management and Handling) Rules, 1998, The Public Liability Insurance Act, 1991, The Legal Metrology Act, 2009, The Explosives Act, 1884 and The Explosive Rules, 1983, Importer Exporter Code along with the Foreign Trade (Development & Regulation) Act, 1992, The Factories Act, 1948, The Boilers Act, 1923, Indian Boiler Regulations, 1950, The Bombay Prohibition Act, 1949, The Petroleum Act, 1934, The Maharashtra State Tax on Profession, Trades, Callings and Employment Act, 1975, labour laws including The Minimum Wages Act, 1948, The Payment of Bonus Act, 1965, The Employee State Insurance Act, 1948, The Contract Labour (Regulation and Abolition) Act, 1970, The Employees Provident Fund and Miscellaneous Provisions Act, 1952, legislations relating to shops and commercial establishments, electricity and other revenue and tax legislations.



HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was originally incorporated as ANG Lifesciences India Private Limited on June 14, 2006 with the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh as a private limited Company under the Companies Act, 1956. On conversion into public limited Company the name of our Company was changed to ANG Lifesciences India Limited pursuant to special resolution passed at the Extra Ordinary General Meeting held on January 18, 2010 and a fresh certificate of incorporation dated March 02, 2010 issued by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh. Our company was further converted into private limited Company and the name of our Company was changed to ANG Lifesciences India Private Limited pursuant to special resolution passed at the Extra Ordinary General Meeting held on August 31, 2010 and a fresh certificate of incorporation was issued by Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh dated September 22, 2010. Subsequently, on conversion into public limited Company the name of our company again changed to ANG Lifesciences India Limited pursuant to special resolution passed at the Extra Ordinary General Meeting held on May 04, 2016 and a fresh certificate of incorporation dated May 18, 2016 issued by the Registrar of Companies, Chandigarh.

Our Corporate Identification Number is U24230PB006PLC030341

The promoters of our Company are Mr. Rajesh Gupta and Mrs. Saruchi Gupta. Our Company is primarily engaged in the business of manufacturing and marketing of finished pharmaceutical formulation in the form of sterile dry powder injection vials.

The Registered Office of our Company is situated at Darbara Complex, SCO 113, First Floor, District Shopping Centre B Block, Ranjit Avenue, Amritsar - 143001.

Changes in the Registered Office of our Company since inception

| From | To | Date of Change | Reason for Change |
|--|--|-----------------------|--------------------------|
| 312 Ganpati Tower Lawrence Road, Amritsar - 143001, Punjab, India | 342-A, Shastri Nagar, Opp. B. R. Modern School, Amritsar - 143001, Punjab, India | 19.08.2010 | Administrative Purpose |
| 342-A, Shastri Nagar, Opp. B. R. Modern School, Amritsar - 143001, Punjab, India | Darbara Complex, SCO 113, First Floor, District Shopping Centre, B Block, Ranjit Avenue, Amritsar - 143001, Punjab, India. | 1.11.2013 | Administrative Purpose |

Main Objects of our Company

The object clauses of the Memorandum of Association of our Company enable us to undertake the activities for which the funds are being raised in the present Issue. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The objects of our Company are:

“To carry on the business of manufacturers, marketing, traders, importers, exporters, distributors, dealer, retailer, commission agents of all kinds of Pharmaceutical Products, Medicine, Herbal, Allopathic, Homeopathic, Tonic, Syrups, Ayurvedic, feeds, supplements, medical supplements, test control medicines, allopathic pharmaceutical.”

Changes in the Memorandum of Association

The following changes have been made in the Memorandum of Association of our Company since inception:

| Date of Meeting | Particulars |
|------------------------|---|
| 06.04.2007 | Clause V of the MOA was amended to reflect the increase in authorised share capital from Rs.100.00 Lacs divided into 10,00,000 Equity Shares of Rs.10 each to Rs.325.00 Lacs divided into 32,50,000 Equity shares of Rs.10 each |



| Date of Meeting | Particulars |
|-----------------|---|
| 22.02.2008 | Clause V of the MOA was amended to reflect the increase in authorised share capital from Rs. 325.00 Lacs divided into 32,50,000 Equity Shares of Rs. 10 each to Rs. 355.00 Lacs divided into 35,50,000 Equity shares of Rs.10 each |
| 18.01.2010 | Clause I of the Memorandum of Association was altered by inserting the name “ANG Lifesciences India Limited” pursuant to conversion into public limited Company in place of “ANG Lifesciences India Private Limited”. |
| 22.03.2010 | Clause V of the MOA was amended to reflect the increase in authorised share capital from Rs. 355.00 Lacs divided into 35,50,000 Equity shares of Rs. 10 each to Rs. 370.00 Lacs divided into 37,00,000 Equity shares of Rs. 10 each |
| 31.08.2010 | Clause I of the Memorandum of Association was altered by inserting the name “ANG Lifesciences India Private Limited” pursuant to conversion into private limited Company in place of “ANG Lifesciences India Limited”. |
| 18.05.2016 | Clause I of the Memorandum of Association was altered by inserting the name “ANG Lifesciences India Limited” pursuant to conversion into public limited Company in place of “ANG Lifesciences India Private Limited”. |
| 30.09.2016 | Clause V of the MOA was amended to reflect the increase in authorised share capital from Rs. 370.00 Lacs divided into 37,00,000 Equity shares of Rs. 10 each to Rs. 550.00 Lacs divided into 55,00,000 Equity shares of Rs. 10 each |

Major Events and Milestones

The table below sets forth the key events in the history of our Company:

| Year | Particulars |
|---------|--|
| 2006-07 | Incorporation of our Company on June 14, 2006 |
| 2008-09 | Commenced commercial production of the Company |
| 2012-13 | Robust jump in the turnover of the Company by 140% as compared to previous year |
| 2013-14 | Commenced our export sales , Government supplies and turnover increased by 112% as compared to previous year |
| 2014-15 | Commenced direct sale of medicines in PAN India covering hospitals , Doctors through stockists |
| 2015-16 | Company certified with WHO and GMP norms and continued to growth in the turnover |

Corporate Profile of our Company

For details in relation to our corporate profile including details of our business, geographical presence, growth, competition, products, capacity build-up, technology, and managerial competence, please see sections entitled “*Our Business*” and “*Our Management*” on pages 68 and 87, of this Draft Prospectus.

Time and Cost Overruns in Setting Up Projects:

As on the date of this Draft Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

Revaluation of Assets

Our Company has not revalued its assets since its incorporation.

Holding Company of our Company

Our Company has no holding company as on the date of filing of this Draft Prospectus.



Subsidiary of our Company

Our Company does not have any subsidiary Company.

Injunctions or Restraining Orders

There are no injunctions/ restraining orders that have been passed against the Company.

Details regarding Acquisition of Business/Undertakings, Mergers, Amalgamation etc.

There are no mergers, amalgamation, etc. with respect to our Company and we have not acquired any business/undertakings till date.

Changes in the Activities of our Company during the Last Five Years

There has been no change in the business activities of our Company during the last five years from the date of this Draft Prospectus.

Capital raising activities through Equity or Debt

For details of the equity capital raising of our Company, please refer to the chapter titled “*Capital Structure*” beginning on page 40 of this Draft Prospectus. We have not done any debt issuances since incorporation till date.

Changes in the Management

There has been no change in the management in last 3 years.

Shareholders Agreements

Our Company has not entered into any shareholders agreement as on date of filing of this Draft 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 Draft Prospectus, our employees are not unionized.

Other Agreements

Our Company has not entered into any specific or special agreements except that have been entered into in ordinary course of business as on the date of filing of this Draft Prospectus.

Collaboration

Our Company has not entered into any collaboration with any third party as per regulation (VIII) B (1) (c) of part A Schedule VIII of SEBI (ICDR) Regulations, 2009.

Strategic Partner

Our Company does not have any strategic partner as on the date of filing of this Draft Prospectus.

Financial Partner

Our Company does not have any financial partner as on the date of filing of this Draft Prospectus.

Defaults or Rescheduling of Borrowings with Financial Institutions or Banks



There have been no defaults or rescheduling of borrowings with financial institutions or banks as on the date of this Draft Prospectus except, rescheduling of Company's borrowings from Punjab National Bank alongwith payment terms, pursuant to request for rescheduling being made by our Company. Our Company's business was adversely affected by restructuring of our board and overall industrial slowdown. Consequently our Company made an application to Punjab National Bank for the reschedulement of the loans. Our lender, Punjab National Bank, has rescheduled the existing term loans availed by us, aggregating to Rs. 836.26 Lacs including sanction of Funded Interest Term Loan of Rs. 249.42 Lacs vide letter dated January 05, 2013. For further details in this regard, please see the chapters titled "*Statement of Financial Indebtedness*" on page 133 of this Draft Prospectus.

Number of Shareholders

Our Company has 16 shareholders on date of this Draft Prospectus.

Guarantees provided by our Promoters, our Promoter group and our Group Companies/ Entities

Other than the guarantees given to our lenders and as disclosed in the section "*Statement of Financial Indebtedness*" on page 133 of this Draft Prospectus, our Promoters have not given any guarantees to third parties that are outstanding as on the date of filing of this Draft Prospectus.



OUR MANAGEMENT

Board of Directors

Under our Articles of Association, our Company is required to have not less than three (3) Directors and not more than fifteen (15) Directors. Our Company currently has 5 Directors on Board. The following table sets forth current details regarding our Board of Directors:

| Name, Father's name, Address, Occupation, Nationality, tenure & DIN | Date of Appointment | Other Directorships |
|--|--|---------------------|
| Mr. Rajesh Gupta S/o: Sarwan Kumar Age: 45 Yrs Designation: Managing Director Term: Appointed as the Managing Director for a period of 3 years w.e.f. 01.10.2016 to 30.09.2019 Address: House No. 85, Guru Nanak Avenue, Majitha Road, Amritsar - 143001, Punjab, India. Occupation: Business PAN: AAQPG4797C Nationality: Indian DIN: 01423407 | Appointed as Director since inception of the Company subsequently appointed as Managing Director vide resolution in the AGM dated 30.09.2016 | Nil |
| Mrs. Saruchi Gupta D/o: Rajinder Kumar Mittal Age : 40 Yrs Designation: Whole Time Director Term: Appointed as the Whole Time Director for a period of 3 years w.e.f. 01.10.2016 Address: House No. 85, Guru Nanak Avenue, Majitha Road, Amritsar - 143001, Punjab, India. Occupation: Business PAN: ALAPG5323R Nationality: Indian DIN: 03618458 | Appointed as Director since 01.04.2011 subsequently appointed as Whole Time Director vide resolution in the AGM dated 30.09.2016 | Nil |
| Mrs. Nipur Gupta D/o: Bishan Kumar Gupta Age: 35 Yrs Designation: Non Executive and Non Independent Director Term: Liable to retire by rotation Address: 538, First Floor, Sector 11, Panchkula -134112, Haryana, India Occupation: Business PAN: AOPPG3569M Nationality: Indian DIN: 07507356 | Appointed as Director since 02.05.2016 | Nil |
| Mr. Pawanjit Singh S/o: Kanwaljit Singh Age: 49 Designation: Non Executive and Independent Director Address: House No. 3438, Street No. 3, Rock House, Putlighar, Azad Nagar, Amritsar - 143 001, Punjab, India. Occupation: Business PAN: ACUPS4040C Nationality: Indian DIN: 07505395 | Appointed as Director since 02.05.2016 | Nil |



| Name, Father's name, Address, Occupation, Nationality, tenure & DIN | Date of Appointment | Other Directorships |
|---|--|---------------------|
| Mr. Sukhpal Singh S/o: Arjan Singh Age: 43 Yrs Designation: Non Executive and Independent Director Address: A-701, A Block, New Amritsar, Amritsar – 143001, Punjab, India. Occupation: Business PAN: ABMPS4053N Nationality: Indian DIN: 07507238 | Appointed as Director since 02.05.2016 | Nil |

Notes:

As on the date of this Draft Prospectus:

1. None of the above mentioned Directors are on the RBI List of willful defaulters as on date.
2. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) for more than 3 months during the five years prior to the date of filing this Draft Prospectus or (b) delisted from the stock exchanges.
3. 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.

Brief Biographies of our Directors

Mr. Rajesh Gupta, aged 45 years, is the Promoter and Managing Director of our Company. He has obtained degree of Civil Engineering from Thaper Institute of Engineering and Technology, Patiala in the year 1993. Initially he started his career with the construction business and he embarked his career in the Pharmaceutical industry considering its growth and potential. In the year 2006, he founded our Company and since inception he is on the board of our Company. He further appointed as a Managing Director with effect from October 01, 2016. He has more than 20 years of overall experience in the areas of management, marketing strategies and overall administration control. He is a visionary and guides our Company and management at all the stages of its development and strategic decisions. He has major contribution to take the Company to a commendable position in the market.

Mrs. Saruchi Gupta, aged 40 years, is the Whole Time Director and Chief Financial Officer and one of the Promoters of our Company. She is a commerce graduate from Guru Nanak Dev University, Amritsar. She joined our Company in April 2011 and further appointed as Whole Time Director with effect from October 01, 2016 and as a CFO with effect October 06, 2016. Presently her responsibilities in our Company include overseeing the corporate finance, accounts, statutory audit and other financial activities of our Company. She looks after the day today accounting system, tax and other liaisoning work with various authorities.

Mrs. Nipur Gupta, aged 35 years, is a Non Executive and Non Independent Director of our Company. She is commerce graduate from Guru Nanak Dev University. She has experience of 5 years in the area of administration and control. She is appointed as a Non Executive and Non Independent Director of our company since May 02, 2016.

Mr. Pawanjit Singh, aged 49 years, is Non Executive and Independent Director of our Company. He is undergraduate and into construction business. He has more than 25 years of experience in the area of management, marketing and administration. He is appointed as a Non Executive and Independent Director of our company since May 02, 2016.



Mr. Sukhpal Singh, aged 43 years, is Non Executive and Independent Director of our Company. He has successfully passed the examination conducted by Indian Institute of Architects and he is an Associate Member of Indian Institute of Architects (by examination). He is practicing architect and has more than 15 years of experience in the area of architecture services, advisory services, and administration of business. He is appointed as a Non Executive and Independent Director of our company since May 02, 2016.

Confirmations

There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.

The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.

None of the Directors is or was a director of any listed company during the last five years preceding the date of filing of this Draft Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in any such company.

None of the Directors is or was a director of any listed company which has been or was delisted from any recognized stock exchange in India during the term of their directorship in such company.

None of our Directors is or was a director of any company who have made an application to the relevant registrar of Companies, for striking off its name.

Nature of Family Relationship among Directors

There is no relationship amongst the directors except that Mr. Rajesh Gupta and Mrs. Saruchi Gupta are husband and wife.

Borrowing Powers of the Directors

In accordance with the Articles of Association and pursuant to the AGM of our Company held on 30.09.2016, the Board is authorised to borrow money, mortgage, hypothecate and/or charge all of our Company's immovable and movable properties, present and future, in such sum form or manner as the Board may think fit for securing loans already obtained or that may be obtained from our Company's banker or any other banks, financial institution or any other lending institutions or persons, provided that the total amount of money or monies so borrowed (apart from temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business), by our Company shall not, at any time, exceed the Rs. 40.00 Crores.

Remuneration to our Directors

Details of remuneration paid to our Directors during Fiscal 2016 are set forth in the table below:

| Sr. No. | Name of Director | Remuneration (Rs. in Lacs) |
|---------|--------------------|----------------------------|
| 1. | Mr. Rajesh Gupta | 3.60 |
| 2. | Mrs. Saruchi Gupta | 3.60 |

Terms of Appointment of our Directors

Executive Directors

| | |
|-----------------------------|---|
| Name | Mr. Rajesh Gupta |
| Designation | Managing Director |
| Period | Appointed for a period of three years w.e.f. 01.10.2016 to 30.09.2019 |
| Present Remuneration | Rs. 50,000 per month |



| | |
|-----------------------------|--|
| Name | Mrs. Saruchi Gupta |
| Designation | Whole Time Director |
| Period | Appointed for a period of three years w.e.f. 1.10.2016 to 30.09.2019 |
| Present Remuneration | Rs. 30,000 per month |

There is no definitive and /or service agreement that has been entered into between our Company and the directors in relation to their appointment.

Non – Executive Directors

Currently, non-executive Directors are not being paid any remuneration apart from payment of sitting fees. We also confirm that no remuneration being paid to Independent Directors apart from payment of sitting fees. Further, no Remuneration has been paid to our Non Executive Directors during the financial year ended March 31, 2016.

Changes in our Board of Directors during the last three (3) years

The changes in the Directors during last three (3) years are as follows:

| Name | Date of appointment | Date of cessation | Reason |
|--------------------|----------------------------|--------------------------|---|
| Mr. Rajesh Gupta | 01.10.2016 | - | Change in designation , appointment as Managing Director |
| Mrs. Saruchi Gupta | 01.10.2016 | - | Change in designation, appointment as Whole Time Director |
| Mr. Sukhpal Singh | 02.05.2016 | - | Appointment as Non Executive and Independent Director |
| Mr. Pawanjit Singh | 02.05.2016 | - | Appointment as Non Executive Independent Director |
| Mrs. Nipur Gupta | 02.05.2016 | - | Appointment as Non Executive and Non Independent Director |

Shareholding details of the Directors in our Company

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares. The following table details the shareholding of our Directors as on the date of this Draft Prospectus:

| Name of the Director | No. of Equity Shares | Pre-Issue percentage Shareholding |
|-----------------------------|-----------------------------|--|
| Mr. Rajesh Gupta | 36,70,515 | 99.67 |
| Mrs. Saruchi Gupta | 10,000 | 0.27 |

Interest of Directors

All the Directors of our Company may be deemed to be interested to the extent of sitting fees and/or other remuneration if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of reimbursement of expenses if any payable to them under the Articles of Association. All the Directors may also be deemed to be interested in the Equity Shares of our Company, if any, held by them, their relatives or by the companies or firms or trusts in which they are interested as directors / members / partners or that may be subscribed for and allotted to them, out of the present Issue and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.



All the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any other company in which they have direct /indirect interest or any partnership firm in which they are partners.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distributions in respect of the Equity Shares, if any, held by them or by the companies / firms / ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as Directors, members, partners and Promoters, pursuant to this Issue.

Our Directors Mr. Rajesh Gupta and Mrs. Saruchi Gupta are interested to the extent of being Promoter of our Company. For further details please refer section titled “*Our Promoters and Promoter Group*” and “*Group Companies / Entities*” on page 98 and page 102 of this Draft Prospectus.

Property Interest

Except as stated otherwise in this Draft Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of the Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them. Please refer to “*Annexure XXI Statement of Related Party Transaction*” page 130 of this Draft Prospectus.

Corporate Governance

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including the Listing Agreement to be executed with the Stock Exchange and the SEBI Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board’s supervisory role from the executive management team and constitution of the Board Committees, as required under law.

We have a Board constituted in compliance with the Companies Act and the SEBI Regulations in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our executive management provides the Board detailed reports on its performance periodically.

Currently our Board has Five (5) Directors. The constitution of our Board is in compliance with the requirements of SEBI Regulations.

The following committees have been formed in compliance with the corporate governance norms:

- A) Audit Committee
- B) Nomination & Remuneration Committee
- C) Stakeholder Relationship Committee

Audit Committee

Our Company has constituted an Audit Committee, pursuant to Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, vide resolution passed in the meeting of the Board of Directors held on October 06, 2016. The committee presently comprises following three (3) directors.

| Sr. No. | Name of the Director | Status | Nature of Directorship |
|---------|----------------------|----------|------------------------------------|
| 1. | Mr. Pawanjit Singh | Chairman | Non-Executive Independent Director |



| | | | |
|----|--------------------|--------|------------------------------------|
| 2. | Mr. Sukhpal Singh | Member | Non-Executive Independent Director |
| 3. | Mrs. Saruchi Gupta | Member | Whole Time Director |

Role of Audit Committee

The terms of reference of the Audit Committee are given below:

1. The recommendation for appointment, remuneration and terms of appointment of auditors of the company.
2. Review and monitor the auditor's independence and performance and effectiveness of audit process.
3. Examination of the financial statement and the auditor's report thereon.
4. Approval or any subsequent modification of transactions of the company with related parties.
5. Scrutiny of inter-corporate loans and investments.
6. Valuation of undertakings or assets of the company, wherever it is necessary.
7. Evaluation of internal financial controls and risk management system.
8. Monitoring the end use of funds raised through public offers and related matters.
9. To investigate any activity within its terms of reference.
10. To seek information from any employee.
11. To obtain outside legal or other professional advice.
12. To secure attendance of outsiders with relevant expertise, if it considers necessary.
13. 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.
14. Recommending the appointment, and removal of external auditors, fixation of audit fee and also approval for payment of any other services.
15. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - (a) The Board's report under sub-section (3) of section 134 shall disclose the composition of an Audit Committee and where the Board had not accepted any recommendation of the Audit Committee, the same shall be disclosed in such report along with the reasons therefor.
 - (b) Changes, if any, in accounting policies and practises and reasons for the same.
 - (c) Major accounting entries involving estimates based on the exercise of judgement 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) Qualifications in the draft audit report.
 - (h) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956 or Section 134 of the Companies Act, 2013.
16. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
17. 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.
18. Discussion with internal auditors any significant findings up there on.
19. 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.
20. 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.
21. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders, (in case of non payment of declare dividends) and creditors.
22. To review the functioning of the Whistle Blower mechanism, in case if the same is existing.
23. 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.
24. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.
 25. Mandatorily reviews the following information:
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee
 26. Review the Financial Statements of its Subsidiary company, if any.
 27. Review the composition of the Board of Directors of its Subsidiary Company, if any.
 28. Review the use/application of funds raised through an issue (public issues, right issues, preferential issues etc) on a quarterly basis as a part of the quarterly declaration of financial results. Further, review on annual basis statements prepared by the Company for fund utilized for purposes other than those stated in the offer document.

In addition, to carry out such other functions/powers as may be delegated by the Board to the Committee from time to time.

Nomination & Remuneration Committee

Our Company has constituted a 'Nomination & Remuneration committee' pursuant to the provisions of Section 178(1) of the Companies Act, 2013 read with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, vide resolution passed at the meeting of the Board of Directors held on October 06, 2016. The committee presently comprises following three (3) directors.

| No. | Name of the Director | Status | Nature of Directorship |
|-----|----------------------|----------|--|
| 1. | Mr. Sukhpal Singh | Chairman | Non-Executive Independent Director |
| 2. | Mr. Pawanjit Singh | Member | Non-Executive Independent Director |
| 3. | Mrs. Nipur Gupta | Member | Non-Executive Non Independent Director |

The terms of reference of the Nomination & remuneration committee while formulating the policy ensure as follows:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and
- Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Stakeholder Relationship Committee

Our Company has constituted a 'Stakeholder Relationship Committee' pursuant to the provisions of Section 178(5) of the Companies Act, 2013 read with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, vide resolution passed at the meeting of the Board of Directors held on October 06, 2016. The committee presently comprises following three (3) directors.

| Sr. No. | Name of the Director | Status | Nature of Directorship |
|---------|----------------------|----------|--|
| 1. | Mrs. Nipur Gupta | Chairman | Non-Executive Non Independent Director |



| | | | |
|----|--------------------|--------|------------------------------------|
| 2. | Mrs. Saruchi Gupta | Member | Whole Time Director |
| 3. | Mr. Pawanjit Singh | Member | Non-Executive Independent Director |

Role of Stakeholder Relationship Committee

The Stakeholder Relationship Committee of our Board look into:

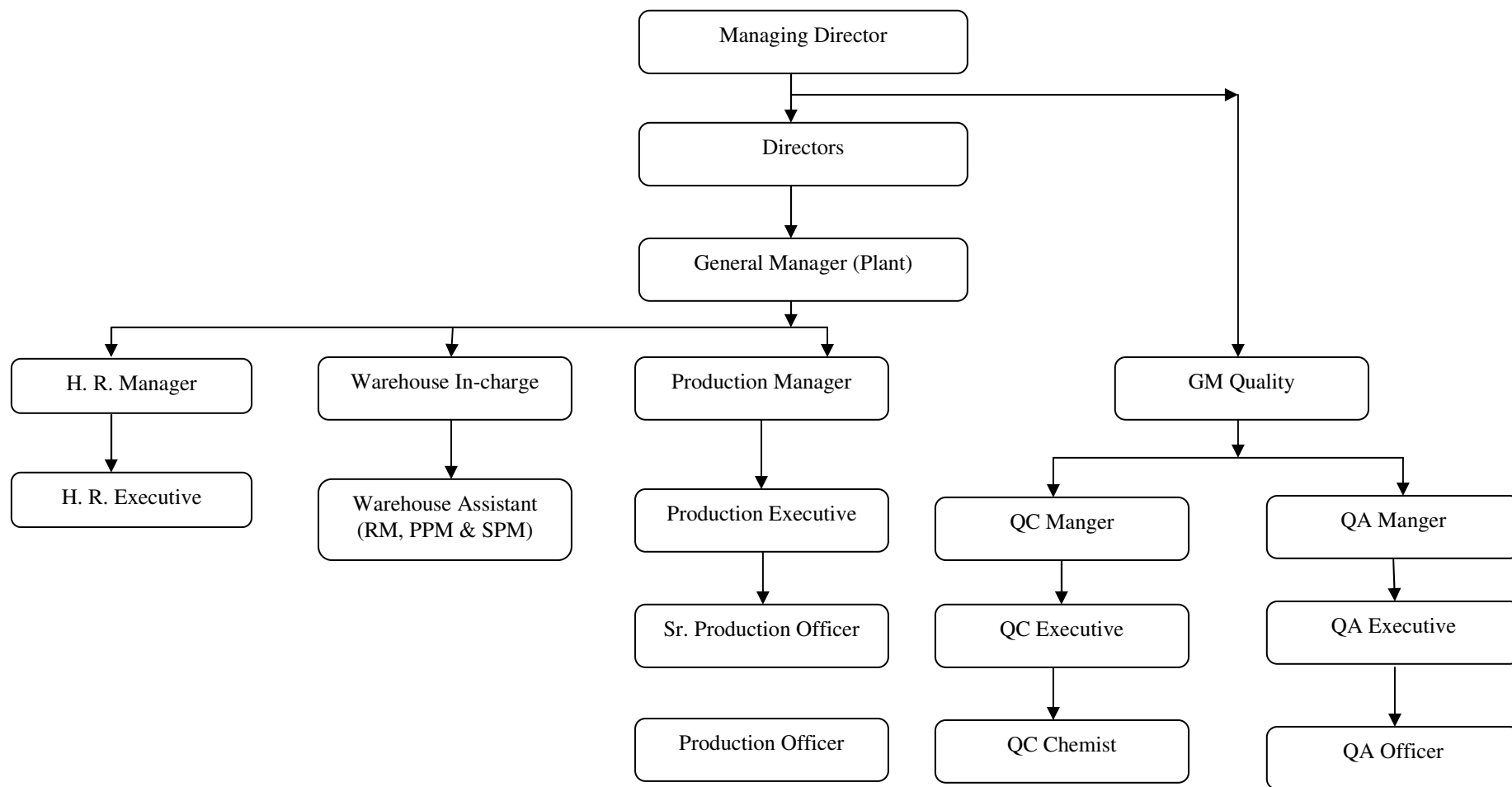
- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized.
- Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc. and
- Review the process and mechanism of redressal of shareholders/Investors grievance and suggest measures of improving the system of redressal of shareholders/Investors grievances.
- Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with company or any officer of the company arising out in discharge of his duties.
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
- Oversee the implementation and compliance of the code of conduct adopted by the company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India(Probation of Insider Trading) Regulations, 1992 as amended from time to time.
- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted meeting
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

Our Company has adopted following policies:

1. Code of conduct
2. Code of practices and Procedures for fair disclosure of unpublished price sensitive information
3. Whistle Blower Policy and Vigil Mechanism
4. Related Party Transaction Policy
5. Policy for preservation of documents and archival of documents
6. Policy for prevention of sexual harassment



Organisation Chart





OUR KEY MANAGERIAL PERSONNEL

Our key managerial personnel, as defined under Section 2(51) of the Companies Act, 2013, consist of:

1. Mr. Rajesh Gupta, Managing Director;
2. Mrs. Saruchi Gupta Whole Time Director and Chief Financial Officer;
3. Mr. Chandan Kapoor, Company Secretary and Compliance Officer

In addition to the persons mentioned above, our key managerial personnel, consist of Mr. Anoop Kumar Shrivastava who is designated as 'Deputy General Manager – Plant' in the Company.

Brief Profile of Key Managerial Personnel:

Mr. Rajesh Gupta, aged 45 years, is the Managing Director of our Company. For more details please refer chapter titled "*Our Management*" on page 87 of this draft Prospectus. For details of compensation paid to him during Fiscal 2016, refer "*Terms of Appointment and Compensation of our Directors*" on page 89 of this Draft Prospectus.

Mrs. Saruchi Gupta, aged 40 years, is the Whole Time Director and Chief Financial Officer of our Company. For more details please refer chapter titled "*Our Management*" of our Directors' on page 87 of this draft Prospectus. For details of compensation paid to him during Fiscal 2016, refer "*Terms of Appointment and Compensation of our Directors*" on page 89 of this Draft Prospectus.

Mr. Anoop Kumar Shrivastava, aged 35 years is working as Deputy General Manager – Plant' in our Company. He has completed Bachelor of Science from VBS Purvanchal University, Jaunpur. He is associated with our Company since May 2010. His responsibilities include administration of overall plant operations, quality assurance of products, timely production and despatch of goods. He is permanent employee of our Company, and his present gross salary is Rs. 9.00 Lacs p.a.

Mr. Chandan Kapoor, aged 27 years, is Company Secretary & Compliance Officer of our Company. He is an associate member of Institute of Companies Secretaries of India. He has joined our Company on October 06, 2016. His scope of work and responsibilities include vetting of agreements, preparation of minutes, drafting of resolutions, preparation and updating of various statutory registers, and compliance with the provisions of Companies Act. Fiscal 2016, he did not receive any remuneration as he has been appointed on and with effect from October 2016. His gross salary is Rs. 2.64 Lacs p.a.

Status of Key Managerial Personnel

All our key managerial personnel are permanent employees of our Company.

Family Relationship between Key Managerial Personnel

None of the key managerial personnel is having family relation with each other except Mr. Rajesh Gupta and Mrs. Saruchi Gupta are husband and wife.

Arrangements and Understanding with Major Shareholders

None of our key managerial personnel have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

Shareholding of the Key Managerial Personnel

As on date, none of the key managerial persons are holding Equity Shares of our Company except as set forth in the table below:

| Name of Key Managerial Personnel | No. of Shares |
|----------------------------------|---------------|
| Mr. Rajesh Gupta | 36,70,515 |
| Mrs. Saruchi Gupta | 10,000 |



Bonus or Profit Sharing Plan for the Key Managerial Personnel

There is no profit sharing plan for the key managerial personnel. Our Company makes bonus payments to the employees based on their performances, which is as per their terms of appointment.

Loans to Key Managerial Personnel

There is no loans outstanding against key managerial personnel as on date.

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 remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses, incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any.

Except as disclosed in this Draft Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Changes in Key Managerial Personnel of our Company during the Last Three (3) Years

Except mentioned below, no changes in the key managerial personnel of our Company during the last three (3) years.

| Name | Date of Appointment / Cessation | Reason |
|--------------------|--|------------------------------------|
| Mr.Rajesh Gupta | 01.10.2016 | Appointment as Managing Director |
| Mrs. Saruchi Gupta | 01.10.2016 | Appointment as Whole Time Director |
| Mrs. Saruchi Gupta | 06.10.2016 | Appointment as CFO |
| Mr. Chandan Kapoor | 06.10.2016 | Appointment as Company Secretary |

Employees Stock Option Scheme

Our Company does not have any Employee Stock Option Scheme/ Employee Stock Purchase Scheme as on the date of filing of this Draft Prospectus.

Payment or Benefit to our Officers

Except for the payment of normal remuneration for the services rendered in their capacity as employees of our Company, no other amount or benefit has been paid or given within the two (2) preceding years or intended to be paid or given to any of them.


Employees

The details about our employees appear under the Paragraph titled “*Our Business- Human Resource*” on page 73 of this Draft Prospectus.


OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are Mr. Rajesh Gupta and Mrs. Saruchi Gupta

1. Mr. Rajesh Gupta

| | |
|---|---|
|  | Mr. Rajesh Gupta , aged 45 years, is the Promoter and Managing Director of our Company. He has obtained degree of Civil Engineering from Thaper Institute of Engineering and Technology, Patiala in the year 1993. For more details please refer chapter titled “ <i>Our Management</i> ” beginning from Page 87 of this Draft Prospectus. |
| Residential Address | House No. 85, Guru Nanak Avenue, Majitha Road, Amritsar - 143001, Punjab, India. |
| Occupation | Business |
| Permanent Account Number | AAQPG4797C |
| Passport Number | N6067320 |
| Driving License Number | PB - 0219930089746 |
| Voters Identity Card | JZT1916147 |

2. Mrs. Saruchi Gupta

| | |
|--|---|
|  | Mrs. Saruchi Gupta , aged 40 years, is the Whole Time Director and Chief Financial Officer and one of the Promoters of our Company. She is a commerce graduate from Guru Nanak Dev University, Amritsar. For more details please refer chapter titled “ <i>Our Management</i> ” beginning from Page 87 of this Draft Prospectus. |
| Residential Address | House No. 85, Guru Nanak Avenue, Majitha Road, Amritsar - 143001, Punjab, India. |
| Occupation | Business |
| Permanent Account Number | ALAPG5323R |
| Passport Number | N6425237 |
| Driving License Number | NA |
| Voters Identity Card | JZT1854009 |

Other Undertakings and Confirmations

Our Company undertakes that the details of Permanent Account Number, bank account number and passport number of the Promoters will be submitted to the SME platform of BSE Exchange, where the securities of our Company are proposed to be listed at the time of submission of Draft Prospectus.

Common Pursuits of our Promoters

Our Promoters have not promoted any Promoter Group / Group Companies which are engaged in the line of business similar to our Company as on the date of this Draft Prospectus. For details of our Promoter Group and Group Companies refer to Section titled “*Our Promoter and Promoters Group*” and “*Group Companies/Entities*” on page 98 and 102 of this Draft Prospectus. We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.



Interest of the Promoters

Our promoters are interested in our Company to the extent that they have promoted the Company, to the extent of their shareholding, for which they are entitled to receive the dividend declared, and other distribution in respect of Equity Shares if any, by our Company. For details on shareholding of our Promoter in our Company, see sections “*Capital Structure*” and “*Our Management*” on pages 40 and 87, respectively.

Further, our Promoters who are also our Directors may be deemed to be interested to the extent of fees, remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act, terms of the Articles and their terms of appointment.

Except as stated herein and as stated in “*Annexure XXI Related Party Transactions*” appearing under section titled “*Financial Information*” beginning on page 107 of this Draft Prospectus, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Prospectus in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of these contracts, agreements or arrangements which are proposed to be made to them.

Interest in the property of our Company

Our Promoters have no interest in any property acquired or proposed to be acquired by our Company within the two years from the date of this Draft Prospectus, or in any transaction by our Company.

Payment amounts or benefit to our Promoters during the last two years

No payment has been made or benefit given to our Promoters in the two years preceding the date of this Draft Prospectus except as mentioned / referred to in this chapter and in the section titled “*Our Management*”, “*Financial Information*”, “*Related Party Transactions*” and “*Capital Structure*” on page nos. 87, 107, 105 and 40 respectively of this Draft Prospectus. Further as on the date of this Draft Prospectus, there is no bonus or profit sharing plan for our Promoters.

Confirmations

For details of legal and regulatory proceedings involving our Promoter, please refer to the section titled “*Outstanding Litigation and Material Developments*” on page 148. Our Promoters have not been declared a willful defaulter by the RBI or any other governmental authority and there are no violations of securities laws committed by our Promoters in the past or are pending against them.

Other ventures of our Promoters

Save and except as disclosed in the section titled “*Our Promoters and Promoter Group*” and “*Group Companies / Entities*” beginning on page 98 & 102 respectively of this Draft Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

Litigation details pertaining to our Promoters

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled “*Outstanding Litigations and Material Developments*” beginning on page 148 of this Draft Prospectus.

Shareholding of the Promoters and Promoter Group in our Company

Except as disclosed in “*Capital Structure*”, none of the members of our Promoter Group hold any Equity Shares as on the date of filing of this Draft Prospectus.



Related Party Transactions

For the transactions with our Promoter Group entities, please refer to “*Annexure XXI Related Party Transactions*” of “*Financial Information*” beginning on page 107 of this Draft Prospectus.

Except as stated in “*Annexure XXI Related Party Transactions*” of “*Financial Information*” beginning on page 107 of this Draft Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

Companies with which the Promoters are disassociated in the last three years

Our Promoters Mr. Rajesh Gupta and Mrs. Saruchi Gupta have not disassociated themselves from any of the Companies, firms or other entities during the last three years preceding the date of this draft Prospectus.



Our Promoter Group

In addition to the Promoters named above, the following individuals and entities form a part of the Promoter Group:

Individuals forming part of Promoter Group

In terms of SEBI (ICDR) Regulations, the following immediate relatives, due to their relationship with our Promoters are part of our Promoter Group in terms of Regulation 2(1) (zb) (ii) of SEBI (ICDR) Regulations

| Promoter | Mr. Rajesh Gupta | Mrs. Saruchi Gupta |
|-------------------|-------------------------|---------------------------|
| Mother | Smt. Sudesh Kumari | Mrs. Samishta Mittal |
| Father | - | Mr. Rajinder Kumar Mittal |
| Spouse | Mrs. Saruchi Gupta | Mr. Rajesh Gupta |
| Brother(s) | - | Mr. Rohit Mittal |
| Sister(s) | Ms. Madhu Arora | Ms. Stuti, Ms. Daizy |
| Son (s) | Mast. Abhishek Gupta | Mast. Abhishek Gupta |
| Daughter(s) | Ms. Aastha Gupta | Ms. Aastha Gupta |
| Spouse Father | Mr. Rajinder Kumar | - |
| Spouse Mother | Mrs. Samishta Mittal | Smt. Sudesh Kumari |
| Spouse Brother(s) | Mr. Rohit Mittal | - |
| Spouse Sister(s) | Ms. Stuti, Ms. Daizy | Ms. Madhu Arora |

Entities form part of our Promoter Group

In terms of SEBI (ICDR) Regulations, the following entities part of our Promoter Group in terms of Regulation 2(1) (zb) (iv) of SEBI (ICDR) Regulations.

Companies forming part of the Promoter Group

- ANG Healthcare India Private Limited

Hindu Undivided Families or Firm forming part of the Promoter Group

- G.D. Foods and Caterers

Trusts forming part of the Promoter Group

None

Others forming part of the Promoter Group

Srishti Interiors – Proprietary concern



GROUP COMPANIES / ENTITIES

Pursuant to the requirement of SEBI ICDR Regulations, the Group Companies include entities covered under the applicable accounting standards, being AS 18 (as identified under the Restated Financial Statements) and also other entities as considered material by the Board of the Company.

As per Materiality Policy on Group Companies approved in the meeting of the Board of Directors of our company held on October 06, 2016 the Group Company shall be considered material for the purpose of disclosure in this Draft Prospectus of the Company if Such company /Entity is included in the list of related parties under AS 18 (as identified under the restated financial statements) and in terms of Regulation 2(1) (zb) (iv) of SEBI (ICDR) Regulations.

| Sr. No. | Name of Entity | Status |
|---------|--------------------------------------|-------------------------|
| 1 | ANG Healthcare India Private Limited | Private Limited Company |
| 2 | G.D. Foods and Caterers | Partnership Firm |
| 3 | Srishti Interiors | Proprietary concern |

1. ANG Healthcare India Private Limited (AHIPL)

ANG Healthcare India Private Limited was incorporated on April 25, 2016 under the Companies Act 2013 with the Registrar of Companies, Himachal Pradesh.

| | |
|------------------------------|--|
| Date of Incorporation | 25.04.2016 |
| CIN | U24230HP2016PTC006198 |
| PAN | AAOCA3292R |
| Registered Office | Village Kishanpura, PO Manpura Baddi, Nalagarh Road, Tehsil Nalagarh, Solan, Himachal Pradesh – 174 101 |
| Board of Directors | Mr. Neeraj Gupta Ms. Sudesh Kumari |

Main Objects

To carry on the business of Manufacturers, Traders, importers, exporters, distributors, retailers, commission agents and marketing of all kinds of Pharmaceutical Products, Medicines, Veterinary Medicines, Herbal and Allopathic medicines, Homeopathic medicines, Ayurvedic medicines, biochemical, electrolytic drugs, surgical equipments, Pharmaceutical chemicals, medical equipments and to do all other things which are incidental, ancillary or conducive to the aforesaid objects.

Shareholding Pattern of the Company is as mentioned below:

| Sr. No. | Name | No. of Shares | % of Shareholding |
|---------|-------------------|------------------|-------------------|
| 1 | Mr Niraj Gupta | 25,00,000 | 50.00 |
| 2 | Ms. Sudesh Kumari | 25,00,000 | 50.00 |
| | Total | 50,00,000 | 100.00 |

Interest of our Promoters

Ms. Sudesh Kumari, mother of our Promoter Mr. Rajesh Gupta, holds 25,00,000 Equity Shares constituting 50% of the shareholding in ANG Healthcare India Private Limited.

Financial Information

AHIPL is recently incorporated and yet to make its first financial report.



2. G.D. Foods and Caterers

G.D. Foods and Caterers is a partnership firm formed with the intention of carrying on business of restaurants, snack or coffee shops, take aways, outdoor catering and other allied services vide partnership deed dated March 18, 2016.

Interest of our Promoters

The share in the profits or losses of G. D. Foods and Caterers will be apportioned to its partners, which includes our Promoter Mr. Rajesh Gupta, in the following ratio:

| Sr. No. | Name of Partner | Profit Sharing (%) |
|---------|-------------------------------|--------------------|
| 1 | Mr. Rajesh Gupta | 50.00 |
| 2 | Mr. Sukhjit Pal Singh Dhillon | 50.00 |
| | Total | 100.00 |

Financial Information

The Firm is recently incorporated and yet to make its first financial report.

3. Srishti Interiors

Srishti Interiors is a Proprietary Concern formed with the intention of carrying on business of interior decoration, and other allied services.

Interest of our Promoters

Our Promoter Mr. Rajesh Gupta, is the sole proprietor of Srishti Interiors.

Financial Information

| Particulars | FY 2014-15 | FY 2013-14 | FY 2012-13 |
|-------------------|------------|------------|------------|
| Total Income | 88.14 | 114.91 | 618.77 |
| Net Profit/(Loss) | (32.11) | (90.20) | (25.98) |

Interest of Group Entities in our Company

Our group entities ANG Healthcare India Private Limited , G. D. Foods and Caterers and Srishti Interiors do not have any interest in

- the promotion of our Company
- any property acquired by our Company within the last two years or proposed to be acquired by our Company
- in any transaction for acquisition of land, construction of building and supply of machinery

No part of the Issue Proceeds is payable to our group entities mentioned above.

Undertaking / Confirmations

Our Promoters and Group Entities have further confirmed that they have not been declared as wilful defaulters by the RBI or any other government authority and there have been no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them except as stated under chapters “Risk Factors”, “Our Promoters and Promoter Group” “Group Companies / Entities” and “Outstanding Litigations and Material Developments” on pages 11, 98, 102 and 148 of this Draft Prospectus, respectively. Additionally, none of our Promoters and Group Companies have been restrained from accessing the capital market



for any reasons by the SEBI or any other authorities except as stated under chapters “*Risk Factors*”, “*Our Promoters and Promoter Group*” “ *Group Companies / Entities*” and “*Outstanding Litigations and Material Developments*” on pages 11, 98, 102 and 148 of this Draft Prospectus, respectively.

Common Pursuits

Our Company and our group Company ANG Healthcare India Private Limited are authorized to carry on similar business activities. Though, presently our Group company is not carrying out a business activity similar to our business, we do not have any non compete agreement in place for the same. A conflict of interest may arise in future between our company and our Group Company and for associated risk factor please refer page 11 of this Draft Prospectus

Litigation/ Defaults

For details relating to legal proceedings involving the Promoters and Members of the Promoter Group, see the section titled “*Outstanding Litigations and Material Developments*” beginning on page 148 of this Draft Prospectus.

Related Business Transaction within the Group and Significance on Financial Performance

There are no business transactions between our Company and the Promoter Group entities except as stated under section titled as “*Related Party Transactions*” on page 105 of this Draft Prospectus.

Sale or Purchase between our company and our Group Companies/Entities

Other than as discussed under the section titled “*Related party transactions*” on page 105 of this Draft Prospectus, there are no sales or purchases between our Company and any Company in the Group Companies / Entities, wherein sales / purchase exceed in value aggregate of 10% of the total sales or purchases of our Company.

Sick Companies

There are no Companies in our Promoter group listed above which have been declared as a sick company under the SICA. There are no winding up proceedings against any of Promoter Group Companies. Further, no application has been made by any of them to RoC to strike off their name.

Defunct Group Companies and Entities

None of our Promoter Group Companies / Entities has remained defunct and no application has been made to the Registrar of Companies for striking off their name from the register of companies, during the five years preceding the date of filing of this Draft Prospectus.



RELATED PARTY TRANSACTIONS

For details please refer to “*Annexure XXI -Related Party Transactions*” forming part of the chapter titled “*Financial Information*” beginning on page 107 of this Draft Prospectus.



DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting. The shareholders of our Company have the right to decrease or not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

There are no dividends declared by our Company since last five years

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.



SECTION V - FINANCIAL INFORMATION

AUDITOR'S REPORT ON RESTATED FINANCIAL STATEMENTS

Independent Auditors' report as required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014

To
The Board of Directors
ANG Lifesciences India Limited,
Darbara complex, SCO 113,
First Floor, District Shopping Complex,
B block, Ranjit Avenue, Amritsar – 143 001, Punjab

1. We have examined the attached Restated Summary Statement of Assets and Liabilities of **ANG Lifesciences India Limited**, (hereinafter referred to as “**the Company**”) as at September 30, 2016, March 31, 2016, 2015, 2014, 2013 and 2012, Restated Summary Statement of Profit and Loss and Restated Summary Statement of Cash Flow for the period / financial year ended on September 30, 2016, March 31, 2016, 2015, 2014, 2013 and 2012, (collectively referred to as the “**Restated Summary Statements**” or “**Restated Financial Statements**”) annexed to this report and initialed by us for identification purposes. These Restated Financial Statements have been prepared by the management of the Company and approved by the Board of Directors of the company in connection with the Proposed Initial Public Offering (IPO) on SME Platform of BSE Limited (“**BSE**”).
2. These Restated Summary Statements have been prepared in accordance with the requirements of:
 - (i) Section 26 of the Companies Act, 2013 (“the Act”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - (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;
3. We have examined such Restated Financial Statements taking into consideration:
 - (i) The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of BSE Limited (“**IPO**” or “**SME IPO**”); and
 - (ii) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (“**Guidance Note**”).
4. The Restated Financial Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the year ended on March 31, 2016, 2015, 2014, 2013 and 2012 and special purpose Interim period Audited Financial Statements for the period ended September 30, 2016 which have been approved by the Board of Directors.
5. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
 - (i) The “**Restated Statement of Asset and Liabilities**” of the Company as at September 30, 2016, March 31, 2016, 2015, 2014, 2013 and 2012, examined by us, as set out in **Annexure I** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in Notes to the Restated Summary Statements to this Report.



- (ii) The “**Restated Statement of Profit and Loss**” of the Company for the period / financial year ended on September 30, 2016, March 31, 2016, 2015, 2014, 2013 and 2012, examined by us, as set out in **Annexure II** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in Notes to the Restated Summary Statements to this Report.
 - (iii) The “**Restated Statement of Cash Flow**” of the Company for the period / financial year ended on September 30, 2016, March 31, 2016, 2015, 2014, 2013 and 2012, examined by us, as set out in **Annexure III** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in Notes to Restated Summary Statements to this Report.
 - (iv) As per Accounting Standard 15, Employee Benefits issued by the Institute of Chartered Accountants of India, the Company is required to assess its gratuity liability each year and make provision for gratuity liability. However the Company has not provided for gratuity liability in the financials.
6. Based on our examination, we are of the opinion that the Restated Financial Statements have been prepared:
- (i) Using consistent accounting policies for all the reporting periods.
 - (ii) Adjustments for prior period and other material amounts in the respective financial years/period to which they relate.
 - (iii) There are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
 - (iv) The Independent Audit Report Issued by Bhupinder Singh & Associates as on March 31, 2013 & March 31, 2014 has following qualification.
- “The balances of the trade receivables, trade payables and loans and advances are subject to confirmation/reconciliation and subsequent adjustments, if any. As such we are unable to express any opinion as to the effect thereof on the financial statements for the year.*
- The consequential effect of the above on assets and liabilities as at 31st March, 2013 & 31st March, 2014 and on loss for the year ended 31st March, 2013 & 31st March, 2014 is not ascertainable.”*
- The above qualification does not envisage any adjustment in the Restated Financial Statements of the Company for the year ended 31st march, 2013 & 31st march, 2014.
- There are no audit qualifications in the Audit Reports issued by the Statutory Auditors for the period / financial year ended on September 30, 2016, March 31, 2016, 2015, and 2012 which would require adjustments in this Restated Financial Statements of the Company.
7. Audit for the period / financial year ended on September 30, 2016, March 31, 2016, 2015, was conducted by Ajay K. Khanna & Company, Chartered Accountants, for the year ended March 31 2014, was conducted by BSV Associates, Chartered Accountants, for the year ended March 31 2013, and for the year ended March 31, 2012 was conducted by Bhupinder Singh & Associates Chartered Accountants. The financial report included for these years is based solely on the report submitted by them. Further financial statements for the period / financial year ended on September 30, 2016 and March 31, 2016 have been re-audited by us as per the relevant guidelines.



8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the period / financial year ended on September 30, 2016, March 31, 2016, 2015, 2014, 2013 and 2012 proposed to be included in the Draft Prospectus / Prospectus (“Offer Document”).

Annexure of Restated Financial Statements of the Company:-

- (i) Summary Statement of Assets and Liabilities, as Restated as appearing in ANNEXURE I;
 - (ii) Summary Statement of Profit and Loss, as Restated as appearing in ANNEXURE II;
 - (iii) Summary Statement of Cash Flow as Restated as appearing in ANNEXURE III;
 - (iv) Significant Accounting Policies as Restated as appearing in ANNEXURE IV;
 - (v) Details of Share Capital as Restated as appearing in ANNEXURE V to this report;
 - (vi) Details of Reserves and Surplus as Restated as appearing in ANNEXURE VI to this report;
 - (vii) Details of Long Term Borrowings as Restated as appearing in ANNEXURE VII to this report;
 - (viii) Details of Deferred Tax Asset/Liability as Restated as per ANNEXURE VIII to this report;
 - (ix) Details of Short Term Borrowings as Restated as appearing in ANNEXURE IX to this report;
 - (x) Details of Trade Payables as Restated as appearing in ANNEXURE X to this report;
 - (xi) Details of Other Current Liabilities as Restated as appearing in ANNEXURE XI to this report;
 - (xii) Details of Short Term Provisions as Restated as appearing in ANNEXURE XII to this report;
 - (xiii) Details of Fixed Assets as Restated as appearing in ANNEXURE XIII to this report;
 - (xiv) Details of Non Current Investments as Restated as appearing in ANNEXURE XIV to this report;
 - (xv) Details of Inventories as Restated as appearing in ANNEXURE XV to this report;
 - (xvi) Details of Trade Receivables as Restated as appearing in ANNEXURE XVI to this report;
 - (xvii) Details of Cash & Cash Equivalents as Restated as appearing in ANNEXURE XVII to this report;
 - (xviii) Details of Short Term Loans & Advances as Restated as appearing in ANNEXURE XVIII to this report;
 - (xix) Details of Revenues as Restated as appearing in ANNEXURE XIX to this report;
 - (xx) Details of Other Income as Restated as appearing in ANNEXURE XX to this report;
 - (xxi) Details of Related Party Transactions as Restated as appearing in ANNEXURE XXI to this report;
 - (xxii) Details of Significant Accounting Ratios as Restated as appearing in ANNEXURE XXII to this report;
 - (xxiii) Capitalisation Statement as at September 30, 2016 as Restated as appearing in ANNEXURE XXIII to this report;
 - (xxiv) Statement of Tax Shelters as Restated as appearing in ANNEXURE XXIV to this report;
9. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
11. In our opinion, the above financial information contained in Annexure I to XXIV of this report read with the respective Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
12. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.



For Vishal H. Shah & Associates
Chartered Accountants
FRN -116422W

Sd/-
Vishal H. Shah
Proprietor
Membership No.-101231
Place: Mumbai
Date: January 05, 2017



STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

ANNEXURE - I

(Rs. in Lacs)

| Sr. No. | Particulars | As at September 30, | As at March 31, | | | | |
|----------|---|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | 2016 | 2016 | 2015 | 2014 | 2013 | 2012 |
| | EQUITY AND LIABILITIES | | | | | | |
| A | <u>Shareholders Funds</u> | | | | | | |
| | a. Share Capital | 368.25 | 368.25 | 368.25 | 368.25 | 368.25 | 368.25 |
| | b. Reserves & Surplus | 256.88 | 108.81 | (56.67) | (97.03) | (141.32) | (135.11) |
| B | Share Application Money Pending Allotment | - | - | - | - | - | - |
| C | <u>Non Current Liabilities</u> | | | | | | |
| | a. Long Term Borrowings | 635.12 | 681.06 | 811.23 | 976.85 | 1,099.43 | 277.39 |
| | b. Deferred Tax Liabilities | 8.53 | 9.98 | - | - | - | - |
| | c. Other Long Term Liabilities | - | - | - | - | - | - |
| | d. Long Term Provisions | - | - | - | - | - | - |
| D | <u>Current Liabilities</u> | | | | | | |
| | a. Short Term Borrowings | 470.05 | 495.94 | 203.07 | 126.06 | 171.12 | - |
| | b. Trade Payables | 1,658.04 | 1,508.01 | 972.41 | 927.77 | 529.17 | 208.16 |
| | c. Other Current Liabilities | 407.12 | 323.08 | 265.16 | 206.21 | 110.87 | 1,120.21 |
| | d. Short Term Provisions | 98.80 | 54.20 | 20.95 | 9.70 | - | - |
| | T O T A L | 3,902.80 | 3,549.33 | 2,584.40 | 2,517.82 | 2,137.52 | 1,838.90 |
| | ASSETS | | | | | | |
| E | <u>Non Current Assets</u> | | | | | | |
| | a. Fixed Assets | - | - | - | - | - | - |
| | i. Tangible Assets | 1,768.98 | 1,718.47 | 1,587.61 | 1,517.22 | 1,449.96 | 1,414.65 |
| | Less: Accumulated Depreciation | 868.79 | 816.09 | 710.11 | 613.56 | 308.44 | 241.30 |
| | ii. Intangible Assets | - | - | - | - | - | - |
| | iii. Intangible Assets under development | - | - | - | - | - | - |
| | iv. Capital Work in Progress | - | - | - | - | - | - |
| | Net Block | 900.18 | 902.37 | 877.50 | 903.66 | 1,141.52 | 1,173.35 |
| | b. Deferred Tax Assets (Net) | - | - | 4.41 | 15.77 | 31.91 | 53.15 |
| | c. Non-current Investments | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| | d. Other Non current assets | 8.79 | 5.44 | 5.44 | 5.54 | 5.87 | 6.18 |
| F | <u>Current Assets</u> | | | | | | |
| | a. Current Investment | - | - | - | - | - | - |
| | b. Inventories | 619.81 | 524.40 | 617.90 | 586.81 | 424.15 | 282.41 |
| | c. Trade Receivables | 1,719.24 | 1,637.67 | 628.13 | 752.66 | 426.92 | 231.87 |
| | d. Cash and Cash Equivalents | 176.81 | 103.35 | 46.94 | 54.65 | 53.13 | 35.76 |
| | e. Short Term Loans & Advances | 475.97 | 374.10 | 402.07 | 196.73 | 52.01 | 54.19 |
| | f. Other Current Assets | - | - | - | - | - | - |
| | T O T A L | 3,902.80 | 3,549.33 | 2,584.40 | 2,517.82 | 2,137.52 | 1,838.90 |



STATEMENT OF PROFIT AND LOSS AS RESTATED

ANNEXURE - II

(Rs. in Lacs)

| Sr. No. | Particulars | September 30, | For the period ended March 31, | | | | |
|----------|---|-----------------|--------------------------------|-----------------|-----------------|-----------------|-----------------|
| | | 2016 | 2016 | 2015 | 2014 | 2013 | 2012 |
| A | INCOME | | | | | | |
| | Revenue from Operations | 2,977.59 | 5,492.30 | 3,684.16 | 3,449.93 | 1,624.91 | 677.08 |
| | Other Income | 0.82 | 21.03 | 9.46 | 11.96 | 3.73 | 0.51 |
| | Total Income (A) | 2,978.41 | 5,513.32 | 3,693.63 | 3,461.89 | 1,628.64 | 677.59 |
| B | EXPENDITURE | | | | | | |
| | Cost of Material Consumed | 2,160.83 | 4,107.11 | 2,768.34 | 2,594.26 | 1,163.54 | 524.65 |
| | Purchase of Stock in Trade | - | - | - | - | - | - |
| | Changes in inventories of finished goods, traded goods and work-in-progress | (94.47) | (20.80) | (87.18) | (43.34) | (32.02) | (27.81) |
| | Employee benefit expenses | 228.09 | 346.50 | 237.00 | 120.25 | 57.63 | 45.68 |
| | Finance costs | 69.32 | 165.94 | 165.94 | 150.82 | 183.30 | 157.02 |
| | Depreciation and amortisation expense | 52.70 | 105.98 | 94.64 | 305.12 | 67.14 | 68.24 |
| | Other Expenses | 369.33 | 586.53 | 454.75 | 290.08 | 174.02 | 109.40 |
| | Total Expenses (B) | 2,785.79 | 5,291.26 | 3,633.50 | 3,417.19 | 1,613.62 | 877.19 |
| C | Profit before extraordinary items and tax | 192.62 | 222.06 | 60.13 | 44.70 | 15.02 | (199.60) |
| | Extraordinary items | - | - | - | - | - | - |
| D | Profit before tax | 192.62 | 222.06 | 60.13 | 44.70 | 15.02 | (199.60) |
| | <i>Tax expense :</i> | | | | | | |
| | (i) Current tax | 45.99 | 45.27 | 13.80 | 9.70 | - | - |
| | Less: MAT Credit | - | (3.09) | (5.43) | (0.45) | - | - |
| | (ii) Deferred tax | (1.44) | 14.39 | 11.35 | 16.15 | 21.23 | (28.43) |
| | (iii) Tax in respect of earlier year | - | - | - | - | - | - |
| E | Total Tax Expense | 44.55 | 56.58 | 19.73 | 25.40 | 21.23 | (28.43) |
| F | Profit for the year (D-E) | 148.07 | 165.48 | 40.40 | 19.29 | (6.21) | (171.16) |



STATEMENT OF CASH FLOW AS RESTATED

ANNEXURE- III
(Rs. in Lacs)

| Particulars | September 30, | For the period ended March 31, | | | | |
|---|-----------------|--------------------------------|-----------------|-----------------|-----------------|-----------------|
| | 2016 | 2016 | 2015 | 2014 | 2013 | 2012 |
| Net Profit before tax as per Profit And Loss A/c | 192.62 | 222.06 | 60.13 | 44.70 | 15.02 | (199.60) |
| Adjusted for: | | | | | | |
| Depreciation & Amortisation | 52.70 | 105.98 | 94.64 | 305.12 | 67.14 | 68.24 |
| Interest & Financial Charges | 69.32 | 165.94 | 165.94 | 150.82 | 183.30 | 157.02 |
| Profit on Sale of Fixed Assets | - | - | 1.86 | | | |
| Interest earned | - | (4.94) | (4.61) | (4.35) | (1.96) | (0.51) |
| Operating Profit Before Working Capital Changes | 314.64 | 489.04 | 317.97 | 496.29 | 263.51 | 25.16 |
| Adjusted for (Increase)/ Decrease: | | | | | | |
| Inventories | (95.41) | 93.50 | (31.10) | (162.65) | (141.74) | (46.35) |
| Trade Receivables | (81.57) | (1,009.54) | 124.52 | (325.74) | (195.05) | 244.74 |
| Short Term Loans & Advances | (101.87) | 27.97 | (205.34) | (144.72) | 2.18 | (21.27) |
| Other Non Current Assets | (3.35) | - | 0.11 | 0.33 | 0.31 | 0.30 |
| Trade Payables | 150.03 | 535.60 | 44.64 | 398.60 | 321.01 | (244.28) |
| Other Current Liabilities | 84.04 | 57.92 | 58.95 | 95.34 | (1,009.34) | 792.32 |
| Short Term Provisions | 44.60 | 33.25 | 11.24 | 9.70 | - | - |
| Cash Generated From Operations Before Extra-Ordinary Items | 311.11 | 227.74 | 320.99 | 367.16 | (759.14) | 750.63 |
| Add:- Extra-Ordinary Items | - | - | - | - | - | - |
| Cash Generated From Operations | 311.11 | 227.74 | 320.99 | 367.16 | (759.14) | 750.63 |
| Direct Tax Paid | (45.99) | (42.19) | (8.38) | (9.25) | - | - |
| Net Cash Flow from/(used in) Operating Activities: (A) | 265.12 | 185.56 | 312.62 | 357.90 | (759.14) | 750.63 |
| Cash Flow From Investing Activities: | | | | | | |
| Purchase of Fixed Assets | (50.51) | (130.86) | (70.39) | (67.26) | (35.31) | (54.81) |
| Sale of Fixed Asset | - | - | - | - | - | - |
| Investments in non-current investments | - | - | - | - | - | - |
| Interest & Financial Charges | (69.32) | (165.94) | (165.94) | (150.82) | (183.30) | (157.02) |
| Interest earned | - | 4.94 | 4.61 | 4.35 | 1.96 | 0.51 |
| Net Cash Flow from/(used in) Investing Activities: (B) | (119.83) | (291.86) | (231.72) | (213.74) | (216.66) | (211.33) |
| Cash Flow from Financing Activities: | | | | | | |
| Proceeds from Long Term borrowings (net) | (45.95) | (130.17) | (165.61) | (122.58) | 822.05 | (547.37) |
| Proceeds from Short Term borrowings (net) | (25.89) | 292.88 | 77.00 | (45.06) | 171.12 | - |
| Increase in Capital Reserve | - | - | - | 25.00 | - | - |
| Net Cash Flow from/(used in) Financing Activities (C) | (71.84) | 162.71 | (88.61) | (142.64) | 993.17 | (547.37) |
| Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C) | 73.45 | 56.41 | (7.71) | 1.52 | 17.37 | (8.07) |
| Cash & Cash Equivalents As At Beginning of the Year | 103.35 | 46.94 | 54.65 | 53.13 | 35.76 | 43.84 |
| Cash & Cash Equivalents As At End of the Year | 176.81 | 103.35 | 46.94 | 54.65 | 53.13 | 35.76 |



ANNEXURE IV (A)

RESTATED SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS: CORPORATE INFORMATION

ANG Lifesciences India Limited was incorporated in the year 2006 and it is engaged in manufacturing of pharmaceuticals.

A. Basis of preparation of Financial Statements:

The restated summary statement of assets and liabilities of the Company as at September 30, 2016, March 31, 2016, 2015, 2014, 2013 and 2012 and the related restated summary statement of profits and loss and cash flows for the period / years ended September 30, 2016, March 31, 2016, 2015, 2014, 2013 and 2012 (herein collectively referred to as ('Restated Summary Statements')) have been compiled by the management from the audited financial statements of the Company for the period /years ended on September 30, 2016, March 31, 2016, 2015, 2014, 2013 and 2012, approved by the Board of Directors of the Company. Restated Summary Statements have been prepared to comply in all material respects with the provisions of –section 26 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“the SEBI Regulations”) issued by SEBI and Guidance note on Reports in Companies Prospectus (Revised). Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the SME Platform of BSE in connection with its proposed Initial public offering of equity shares. The Company’s management has recast the financial statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated summary statements.

B. Use of Estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect amounts in the financial statements and reported notes thereto. Actual results could differ from these estimates. Differences between the actual result and estimates are recognized in periods in which the results are known/ materialized.

C. Fixed Assets:

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. The cost of an asset comprises of its purchase price and any directly attributable cost of bringing the assets to working condition for its intended use. Expenditure on additions, improvements and renewals is capitalized and expenditure for maintenance and repairs is charged to profit and loss account.

D. Depreciation:

Depreciation on fixed assets is calculated on written down value (WDV) basis for all tangible and intangible assets using the rates arrived at based on the method prescribed under Schedule II of the Companies Act, 2013 for the period / year ended September 30, 2016 and March 31, 2016, 2015. For the year ended on March 31, 2014, 2013, 2012 and 2011 depreciation has been charged on WDV for all tangible and intangible assets using the rates prescribed under Schedule XIV of the Companies Act, 1956.

E. Valuation of Inventories:

Inventory of traded goods is at cost or net realizable value whichever is lower.

F. Valuation of Investments:

- i. Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.



- ii. Current Investments are carried at lower of cost and fair value determined on an individual investment basis.
- iii. 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 investments.

G. Revenue Recognition:

Revenue is recognized to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Sale of Goods

Sales are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer which generally coincides with the delivery of goods to customers.

Revenue from Other Sources

Other Incomes have been recognized on accrual basis.

H. Employee Benefits:

i. Short Term Employee Benefits:

All employee benefits payable within twelve months of rendering of services are classified as short term benefits. Benefits include salaries, wages, awards, ex-gratia, performance pay, etc. and are recognized in the period in which the employee renders the related service. Liability on account of encashment of leave, Bonus to employee is considered as short term compensated expense provided on actual.

ii. Post Employment Benefit :

Defined Contribution Plan:

Provident fund is a defined contribution scheme established under a State Plan. The contributions to the scheme are charged to the profit & loss account in the year when the contributions to the fund are due.

As per Accounting Standard 15, Employee Benefits issued by the Institute of Chartered Accountants of India, the Company is required to assess its gratuity liability each year and make provision for gratuity liability. However the Company has not provided for gratuity liability in the financials.

I. Earnings Per Share

Basic earnings per share is computed by dividing the net profit after tax for the year after prior period adjustments attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

J. Taxation & Deferred Tax

Provision for Current Tax is made in accordance with the provision of Income Tax Act, 1961. Deferred tax is recognized on timing differences between taxable & accounting income / expenditure that originates in one period and are capable of reversal in one or more subsequent period(s).

K. Contingent Liabilities / Provisions

Contingent liabilities are not provided in the accounts and are disclosed separately in notes on accounts.



Presentation and disclosure of financial statements

During the year ended March 31, 2012, the Revised Schedule VI notified under the Act, had become applicable to the Company, for preparation and presentation of its financial statements. Accordingly, the Company has prepared the financial statements for the year ended March 31, 2012 onwards in accordance with Revised Schedule VI of the Act. The adoption of Revised Schedule VI of the Act does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the figures for the years ended March 31, 2011 in accordance with the requirements of Revised Schedule VI of the Act, to the extent possible.

ANNEXURE – IV (B)

NOTES ON RECONCILIATION OF RESTATED PROFITS

| | (Rs in Lacs) | | | | | |
|--|-------------------|----------------|----------------|----------------|----------------|-----------------|
| Adjustments for | 30.09.2016 | 2015-16 | 2014-15 | 2013-14 | 2012-13 | 2011-12 |
| Net profit/(Loss) after Tax as per Audited Profit & Loss Account | 150.25 | 158.22 | 34.88 | 32.61 | (5.69) | (148.00) |
| Adjustments for: | | | | | | |
| Current Tax | (3.62) | 6.84 | 5.97 | (9.40) | 1.03 | - |
| Deferred Tax | 1.44 | 0.41 | (0.44) | (3.91) | (1.55) | (23.17) |
| Net Profit/ (Loss) After Tax as Restated | 148.07 | 165.48 | 40.40 | 19.29 | (6.21) | (171.16) |

Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years.

Adjustments having impact on Profit

- 1. Provision for Tax** - The taxes were not provided as per Income Tax Return Filed. Further there was difference in MAT Credit claimed and booked in accounts.
- 2. Deferred Tax** – There was difference in calculation of Deferred Tax on account of difference in depreciation as per books and as per working done for deferred Tax. As a result the deferred tax asset / liability has been restated.

Adjustments having no impact on Profit

Material Regrouping

W.E.F. April 1 2014, Schedule III notified under the Companies Act, 2013 has become applicable to the Company for preparation and presentation of its financial statements. Revised Schedule VI notified under the Companies Act, 1956 became applicable to the Company from April 1, 2011, for preparation and presentation of its financial statements. The adoption of Schedule III / Revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements.

There is no significant impact on the presentation and disclosures made in the financial statements on adoption of Schedule III as compared to Revised Schedule VI. The Company has reclassified the figures for the previous financial year ended March 31, 2011 in accordance with the requirements of Schedule III. Appropriate adjustments have been made in the restated Summary Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).



DETAILS OF SHARE CAPITAL AS RESTATED

ANNEXURE- V
(Rs in Lacs)

| Particulars | As at September 30, | As at March 31, | | | | |
|--|---------------------------|-----------------|---------------|---------------|---------------|---------------|
| | 2016 | 2016 | 2015 | 2014 | 2013 | 2012 |
| <u>EQUITY SHARE CAPITAL :</u> | | | | | | |
| <u>AUTHORISED SHARE CAPITAL</u> | | | | | | |
| Equity Shares of Rs 10/- Each | 37.00 | 37.00 | 37.00 | 37.00 | 37.00 | 37.00 |
| 15% Pref. Shares of Rs 10/-Each | | | | | | |
| T O T A L | 37.00 | 37.00 | 37.00 | 37.00 | 37.00 | 37.00 |
| <u>ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL</u> | | | | | | |
| Equity Shares of Rs 10/- Each | 368.25 | 368.25 | 368.25 | 368.25 | 368.25 | 368.25 |
| T O T A L | 368.25 | 368.25 | 368.25 | 368.25 | 368.25 | 368.25 |

RECONCILIATION OF NUMBER OF SHARES OUTSTANDING AT THE END OF THE YEAR

| Particulars | As at September 30, | As at March 31, | | | | |
|---|---------------------------|-----------------|--------------|--------------|--------------|--------------|
| | 2016 | 2016 | 2015 | 2014 | 2013 | 2012 |
| Equity shares at the beginning of the year | 36.83 | 36.83 | 36.83 | 36.83 | 36.83 | 36.83 |
| Add: Shares Issued during the year | - | - | - | - | - | - |
| Equity shares at the end of the year | 36.83 | 36.83 | 36.83 | 36.83 | 36.83 | 36.83 |

DETAILS OF RESERVES AND SURPLUS AS RESTATED

ANNEXURE- VI
(Rs in Lacs)

| Particulars | As at September 30, | As at March 31, | | | | |
|---|---------------------------|-----------------|----------------|-----------------|-----------------|-----------------|
| | 2016 | 2016 | 2015 | 2014 | 2013 | 2012 |
| PROFIT AND LOSS | | | | | | |
| As per last financial statements | 83.81 | (81.67) | (122.03) | (141.32) | (135.11) | 11.34 |
| Add/(Less): Net Profit after Tax for the year | 148.07 | 165.48 | 40.40 | 19.29 | (6.21) | (171.16) |
| Less: Amount of assets written off | - | - | (0.04) | - | - | - |
| Less: Effect of Transitional Provision of Deferred Tax (AS22) | - | - | - | - | - | 24.71 |
| T O T A L | 231.88 | 83.81 | (81.67) | (122.03) | (141.32) | (135.11) |
| CAPITAL RESERVE | | | | | | |
| Opening Balance | 25.00 | 25.00 | 25.00 | - | - | - |
| Add: Current Year Transfer | - | - | - | 30.00 | - | - |
| Less: Written Back in Current Year | - | - | - | 5.00 | - | - |
| Closing Balance | 25.00 | 25.00 | 25.00 | 25.00 | - | - |
| T O T A L | 256.88 | 108.81 | (56.67) | (97.03) | (141.32) | (135.11) |



DETAILS OF LONG TERM BORROWINGS AS RESTATED

ANNEXURE- VII
(Rs in Lacs)

| Particulars | As at September 30, | As at March 31, | | | | |
|--|---------------------------|-----------------|---------------|---------------|-----------------|---------------|
| | 2016 | 2016 | 2015 | 2014 | 2013 | 2012 |
| Secured Loan | | | | | | |
| Term Loan | | | | | | |
| Punjab National Bank - Restructured Loan | 163.49 | 167.82 | 252.66 | 333.30 | 397.81 | - |
| Punjab National Bank - Restructured Loan | 52.07 | 53.52 | 80.64 | 106.38 | 126.97 | - |
| Punjab National Bank - Restructured Loan | 7.09 | 7.62 | 11.47 | 15.12 | 18.04 | - |
| Punjab National Bank – FITL Loan | 107.31 | 109.98 | 156.78 | 200.96 | 231.60 | - |
| DHFL | 8.00 | - | - | - | - | - |
| Sub Total (a) | 337.96 | 338.94 | 501.55 | 655.76 | 774.42 | - |
| Vehicle Loan | | | | | | |
| Punjab National Bank | 41.54 | 40.79 | - | - | - | - |
| Punjab National Bank | 7.02 | 7.14 | - | - | - | - |
| Punjab National Bank | 16.95 | - | - | - | - | - |
| Sub Total (b) | 65.51 | 47.93 | - | - | - | - |
| Total Term Loans | 403.47 | 386.87 | 501.55 | 655.76 | 774.42 | - |
| Deposits (Unsecured) | 158.24 | 207.04 | 276.18 | 302.59 | 325.01 | 274.89 |
| Deposits (Secured) | 73.41 | 87.15 | 33.51 | 18.50 | - | 2.50 |
| Total Other Loans | 231.65 | 294.19 | 309.69 | 321.09 | 325.01 | 277.39 |
| T O T A L | 635.12 | 681.06 | 811.23 | 976.85 | 1,099.43 | 277.39 |

Nature of Security and Terms of Repayment for Long Term Borrowings:

| Particulars | Security | Terms of Payment |
|--|---|---|
| Punjab National Bank - Restructured Loan Rs. 163.49 Lacs | (a) Guaranteed by the directors of the company and third party guarantees. (b) First pari-passu charge over the land and building and the entire plant and machinery of the company. | 60 monthly installments starting from Oct 2013, First 18 Installments of Rs. 537581/- each, Next 36 Installments of Rs. 716775/- each, Last 6 Installments of Rs. 1254356/- each, ends in Sep 2018. |
| Punjab National Bank - Restructured Loan Rs. 52.07 Lacs | ----do----- | 60 monthly installments starting from Oct 2013, First 18 Installments of Rs. 171586/- each, Next 36 Installments of Rs. 228781/- each, Last 6 Installments of Rs. 400367/- each, ends in Sep 2018 |
| Punjab National Bank - Restructured Loan Rs. 7.09 Lacs | ----do----- | 60 monthly installments starting from Oct 2013, First 18 Installments of Rs. 24383/- each, Next 36 Installments of Rs. 32510/- each, Last 6 Installments of Rs. 56893/- each, ends in Sep 2018 |
| Punjab National Bank – FITL Loan Rs. 107.31 Lacs | ----do----- | 60 monthly installments starting from Oct 2013, 1st Installments of Rs. 2.22 Lacs |



| | | |
|--|--|--|
| | | each, Next 5 Installments of Rs. 3.12 Lacs each, Next 8 Installments of Rs. 2.22 Lacs each, Next 4 Installments of Rs. 3.22 Lacs each, Next 24 Installments of Rs. 3.96 Lacs each, Next 17 Installments of Rs. 5.96 Lacs each, Last Installments of Rs. 4.60 Lacs ends in Sep 2018 |
| DHFL Business Loan Rs. 8.00 Lacs | ----do----- | 60 monthly instalments |
| Punjab National Bank – Vehicle Loan Rs. 41.54 Lacs | Secured against hypothecation of Vehicle | 84 monthly installments starting from Dec 2015 Installments of Rs. 59524 ends in Nov 2022. |
| Punjab National Bank – Vehicle Loan Rs. 7.02 Lacs | ----do----- | 36 monthly installments starting from Oct 2015 Installments of Rs. 38194 ends in Sep 2018. |
| Punjab National Bank – Vehicle Loan Rs. 16.95 Lacs | ----do----- | 84 monthly installments starting from Sep 2016 Installments of Rs. 22024 ends in Aug 2023. |

DETAILS OF DEFERRED TAX ASSET/LIABILITY AS RESTATED

ANNEXURE- VIII
(Rs in Lacs)

| Particulars | As at September 30, | As at March 31, | | | | |
|--|---------------------------|-----------------|---------|---------|---------|---------|
| | | | | | | |
| | | 2016 | 2016 | 2015 | 2014 | 2013 |
| Related to Fixed Assets | 56.91 | 58.36 | 58.65 | 56.76 | 105.33 | 70.44 |
| Depreciation & Amortisation | - | - | - | - | (60.17) | (81.91) |
| Due to Interest disallowed u/s 43B | (48.38) | (48.38) | (63.06) | (72.53) | (77.07) | (41.68) |
| Deferred Tax Liability (net) after adjustments | 8.53 | 9.98 | (4.41) | (15.77) | (31.91) | (53.15) |
| Incremental Deferred Tax (asset) / charge for the year | (1.44) | 14.39 | 11.35 | 16.15 | 21.23 | (53.15) |

DETAILS OF SHORT TERM BORROWING AS RESTATED

ANNEXURE- IX
(Rs in Lacs)

| Particulars | As at September 30, | As at March 31, | | | | |
|--|------------------------|-----------------|---------------|---------------|---------------|----------|
| | | | | | | |
| | | 2016 | 2016 | 2015 | 2014 | 2013 |
| Secured | | | | | | |
| Working capital loans form Punjab National Bank payable on demand | | | | | | |
| -Cash Credit | 470.05 | 495.94 | 203.07 | 126.06 | 171.12 | - |
| T O T A L | 470.05 | 495.94 | 203.07 | 126.06 | 171.12 | - |

Nature of Security and Terms of Repayment for Short Term Borrowings

| Particulars | Security | Terms of Payment |
|--|--|--|
| Punjab National Bank – Cash Credit Rs. 470.05 Lacs | Secured by hypothecation of stock of raw material, WIP, Finished goods and receivables of the company. | Repayable on demand with annual renewal. The rate of Interest is 14% p.a. which is subject to change from time to time as per Bank/RBI guidelines. |



DETAILS OF TRADE PAYABLES AS RESTATED

ANNEXURE- X
(Rs in Lacs)

| Particulars | As at September 30, | As at March 31, | | | | |
|--|---------------------------|-----------------|---------------|---------------|---------------|---------------|
| | 2016 | 2016 | 2015 | 2014 | 2013 | 2012 |
| Micro & Small Enterprises | - | - | - | 97.74 | - | - |
| Trade Payables (Including acceptances) | 1,658.04 | 1,508.01 | 972.41 | 830.03 | 529.17 | 208.16 |
| T O T A L | 1,658.04 | 1,508.01 | 972.41 | 927.77 | 529.17 | 208.16 |

DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED

ANNEXURE- XI
(Rs in Lacs)

| Particulars | As at September 30, | As at March 31, | | | | |
|---|---------------------------|-----------------|---------------|---------------|---------------|-----------------|
| | 2016 | 2016 | 2015 | 2014 | 2013 | 2012 |
| Sundry creditors for capital goods | 18.35 | 15.94 | 17.88 | 23.23 | 3.96 | 15.78 |
| Sundry creditors for Expenses | 118.53 | 60.10 | 20.89 | 22.01 | 10.54 | - |
| PNB C/C | - | - | - | - | - | 126.43 |
| PNB ILC | - | - | - | - | - | 238.84 |
| Tata Capital Car Loan | - | - | - | 0.15 | 0.15 | 0.15 |
| PNB T/L 3533 | 16.01 | 27.45 | 27.45 | 20.59 | 10.30 | 137.27 |
| PNB T/L 3515 | 50.17 | 86.01 | 86.01 | 64.51 | 32.25 | 430.06 |
| PNB T/L 3603 | 2.28 | 3.90 | 3.90 | 2.93 | 1.46 | 19.51 |
| PNB T/L 5081 | 2.67 | 4.58 | - | - | - | - |
| PNB T/L 5188 | 4.17 | 7.14 | - | - | - | - |
| PNB T/L 5434 | 1.54 | - | - | - | - | - |
| PNB FITL | 27.72 | 47.52 | 47.52 | 30.64 | 17.82 | - |
| Reliance Capital Ltd. | - | - | - | - | - | 3.02 |
| Overdue Installments | - | - | - | - | - | - |
| A) Interest accrued and due on borrowings | - | 6.33 | 8.29 | 13.54 | - | 138.94 |
| B) Other Payables(specify nature) | - | - | - | - | - | - |
| Audit fees payable | 0.20 | 0.20 | 0.30 | 0.15 | 0.30 | 0.20 |
| Advance from Customers | 109.79 | 13.43 | 11.14 | 2.20 | 22.41 | - |
| Electricity Expenses | 23.61 | 10.06 | 5.37 | 6.32 | 4.57 | 3.19 |
| TDS Payable | 3.82 | 10.81 | 9.30 | 6.02 | 2.13 | 0.74 |
| Salary and Reimbursements | 26.04 | 22.74 | 26.44 | 12.11 | 4.89 | 4.93 |
| ESIC | 0.38 | 0.18 | 0.21 | 0.39 | 0.08 | 1.16 |
| EPF Payable | 1.73 | 0.83 | 0.45 | 1.43 | - | - |
| VAT Payable | 0.10 | 5.85 | - | - | - | - |
| T O T A L | 407.12 | 323.08 | 265.16 | 206.21 | 110.87 | 1,120.21 |



DETAILS OF SHORT TERM PROVISIONS AS RESTATED

ANNEXURE- XII

(Rs in Lacs)

| Particulars | As at September 30, | As at March 31, | | | | |
|--------------------|------------------------|-----------------|--------------|-------------|------|------|
| | 2016 | 2016 | 2015 | 2014 | 2013 | 2012 |
| | | | | | | |
| Telephone Expenses | - | 0.16 | 0.33 | - | - | - |
| Traveling Expenses | 7.14 | 7.57 | 5.30 | - | - | - |
| Overtime | 2.10 | 0.64 | 0.32 | - | - | - |
| Income Tax | 89.56 | 45.83 | 14.99 | 9.70 | - | - |
| TOTAL | 98.80 | 54.20 | 20.95 | 9.70 | - | - |



DETAILS OF FIXED ASSETS AS RESTATED

ANNEXURE- XIII

| Upto 30.09.2016 | | | | | | | | | |
|--------------------------------------|-----------------------------|------------------|-----------------------------|---------------------------------|-------------------------|---|----------------------------|-----------------------------|-----------------------------|
| Fixed Assets | Gross Block | | | Accumulated Depreciation | | | | Net Block | |
| | As at 01.04.2016 | Additions | As at 30.09.2016 | Upto 01.04.2016 | for the year | Deductio ns / Adjustm ents | Upto 30.09.2016 | As at 31.03.2016 | As at 31.09.2016 |
| Tangible Assets | | | | | | | | | |
| Building | 502.52 | 1.94 | 504.46 | 125.47 | 7.86 | - | 133.33 | 377.05 | 371.14 |
| Misc Fixed Assets | 495.23 | 16.09 | 511.32 | 311.30 | 12.80 | - | 324.09 | 183.93 | 187.23 |
| Plant & Machinery | 446.66 | - | 446.66 | 280.03 | 11.68 | - | 291.71 | 166.63 | 154.95 |
| Air Compressor & Dryer | 7.85 | - | 7.85 | 5.43 | 0.17 | - | 5.60 | 2.42 | 2.25 |
| Air Conditioner | 8.93 | 0.26 | 9.19 | 4.40 | 0.62 | - | 5.02 | 4.53 | 4.17 |
| Boiler | 7.83 | - | 7.83 | 5.42 | 0.17 | - | 5.59 | 2.41 | 2.24 |
| Borewell | 2.37 | - | 2.37 | 1.47 | 0.18 | - | 1.66 | 0.90 | 0.71 |
| Computers | 12.28 | 1.13 | 13.42 | 10.11 | 0.58 | - | 10.68 | 2.18 | 2.74 |
| Electric Installation | 33.03 | 1.99 | 35.02 | 18.30 | 2.27 | - | 20.57 | 14.73 | 14.45 |
| Furniture & Fixtures | 35.49 | - | 35.49 | 9.99 | 1.85 | - | 11.84 | 25.51 | 23.65 |
| Tools & Instruments | 3.29 | - | 3.29 | 1.28 | 0.14 | - | 1.42 | 2.00 | 1.87 |
| Infrastructure Line (Electricity) | 7.29 | - | 7.29 | 4.53 | 0.82 | - | 5.35 | 2.76 | 1.94 |
| Office Telephone & Security Sys. | 5.77 | - | 5.77 | 3.49 | 0.18 | - | 3.68 | 2.27 | 2.09 |
| Vehicle Bus & Car | 15.03 | 5.81 | 20.84 | 15.03 | - | - | 15.03 | - | 5.81 |
| Motor Cycle | 0.72 | 0.02 | 0.74 | 0.12 | 0.08 | - | 0.19 | 0.60 | 0.55 |
| LCD | 0.66 | - | 0.66 | 0.37 | 0.07 | - | 0.43 | 0.30 | 0.23 |
| IPAD | 0.33 | - | 0.33 | 0.23 | 0.02 | - | 0.26 | 0.09 | 0.07 |
| Mobile Phone | 2.28 | 0.33 | 2.61 | 1.41 | 0.20 | - | 1.61 | 0.87 | 1.00 |
| Car | 118.27 | 22.93 | 141.20 | 17.73 | 13.01 | - | 30.74 | 100.54 | 110.46 |
| Land | 12.66 | - | 12.66 | - | - | - | - | 12.66 | 12.66 |
| Total | 1,718.47 | 50.51 | 1,768.98 | 816.09 | 52.70 | - | 868.79 | 902.37 | 900.18 |



| FY 2015-16 | | | | | | | | | |
|-----------------------------------|-----------------------------|------------------|-----------------------------|---------------------------------|-------------------------|---|----------------------------|-----------------------------|-----------------------------|
| Fixed Assets | Gross Block | | | Accumulated Depreciation | | | | Net Block | |
| | As at 01.04.2015 | Additions | As at 31.03.2016 | Upto 01.04.2015 | for the year | Deductio ns / Adjustme nts | Upto 31.03.2016 | As at 31.03.2015 | As at 31.03.2016 |
| Tangible Assets | | | | | | | | | |
| Building | 502.52 | - | 502.52 | 109.75 | 15.72 | - | 125.47 | 392.77 | 377.05 |
| Misc Fixed Assets | 491.61 | 3.62 | 495.23 | 281.65 | 29.65 | - | 311.30 | 209.96 | 183.93 |
| Plant & Machinery | 442.07 | 4.59 | 446.66 | 253.68 | 26.35 | - | 280.03 | 188.39 | 166.63 |
| Air Compressor & Dryer | 7.85 | - | 7.85 | 5.04 | 0.39 | - | 5.43 | 2.81 | 2.42 |
| Air Conditioner | 7.71 | 1.22 | 8.93 | 2.69 | 1.71 | - | 4.40 | 5.02 | 4.53 |
| Boiler | 7.83 | - | 7.83 | 5.03 | 0.39 | - | 5.42 | 2.80 | 2.41 |
| Borewell | 2.37 | - | 2.37 | 1.10 | 0.37 | - | 1.47 | 1.27 | 0.90 |
| Computers | 11.03 | 1.25 | 12.28 | 8.23 | 1.88 | - | 10.11 | 2.81 | 2.18 |
| Electric Installation | 33.03 | - | 33.03 | 13.08 | 5.22 | - | 18.30 | 19.95 | 14.73 |
| Furniture & Fixtures | 35.49 | - | 35.49 | 6.28 | 3.71 | - | 9.99 | 29.21 | 25.51 |
| Tools & Instruments | 2.25 | 1.04 | 3.29 | 1.10 | 0.19 | - | 1.28 | 1.15 | 2.00 |
| Infrastructure Line (Electricity) | 7.29 | - | 7.29 | 3.40 | 1.14 | - | 4.53 | 3.89 | 2.76 |
| Office Telephone & Security Sys. | 5.77 | - | 5.77 | 3.01 | 0.48 | - | 3.49 | 2.75 | 2.27 |
| Vehicle Bus & Car | 15.03 | - | 15.03 | 15.03 | - | - | 15.03 | - | - |
| Motor Cycle | 0.23 | 0.49 | 0.72 | 0.07 | 0.04 | - | 0.12 | 0.16 | 0.60 |
| LCD | 0.27 | 0.39 | 0.66 | 0.12 | 0.24 | - | 0.37 | 0.15 | 0.30 |
| IPAD | 0.33 | - | 0.33 | 0.15 | 0.08 | - | 0.23 | 0.17 | 0.09 |
| Mobile Phone | 2.28 | - | 2.28 | 0.69 | 0.72 | - | 1.41 | 1.58 | 0.87 |
| Car | - | 118.27 | 118.27 | - | 17.73 | - | 17.73 | - | 100.54 |
| Land | 12.66 | - | 12.66 | - | - | - | - | 12.66 | 12.66 |
| Total | 1,587.61 | 130.86 | 1,718.47 | 710.11 | 105.98 | - | 816.09 | 877.50 | 902.37 |



| FY 2014-15 | | | | | | | | | |
|-----------------------------------|-----------------------------|-----------------------------------|-----------------------------|---------------------------------|-------------------------|--|---------------------------------|-----------------------------|-----------------------------|
| Fixed Assets | Gross Block | | | Accumulated Depreciation | | | | Net Block | |
| | As at 01.04.2014 | Additions/ (Disposals) | As at 31.03.2015 | Upto 01.04.2014 | for the year | Deductions / Adjustment | Upto 31.03.201 5 | As at 31.03.2014 | As at 31.03.2015 |
| Tangible Assets | | | | | | | | | |
| Building | 502.52 | - | 502.52 | 94.04 | 15.72 | - | 109.75 | 408.48 | 392.77 |
| Misc Fixed Assets | 488.62 | 2.99 | 491.61 | 247.80 | 33.84 | - | 281.65 | 240.82 | 209.96 |
| Plant & Machinery | 414.75 | 27.32 | 442.07 | 224.39 | 29.29 | - | 253.68 | 190.35 | 188.39 |
| Air Compressor & Dryer | 7.85 | - | 7.85 | 4.59 | 0.45 | - | 5.04 | 3.26 | 2.81 |
| Air Conditioner | 5.30 | 2.41 | 7.71 | 1.83 | 0.85 | - | 2.69 | 3.47 | 5.02 |
| Boiler | 7.83 | - | 7.83 | 4.58 | 0.45 | - | 5.03 | 3.25 | 2.80 |
| Borewell | 2.37 | - | 2.37 | 0.74 | 0.37 | - | 1.10 | 1.63 | 1.27 |
| Computers | 8.37 | 2.67 | 11.03 | 5.42 | 2.76 | - | 8.23 | 2.95 | 2.81 |
| Electric Installation | 28.89 | 4.14 | 33.03 | 8.52 | 4.56 | - | 13.08 | 20.37 | 19.95 |
| Furniture & Fixtures | 7.61 | 27.88 | 35.49 | 2.78 | 3.49 | - | 6.28 | 4.83 | 29.21 |
| Tools & Instruments | 1.63 | 0.61 | 2.25 | 0.95 | 0.14 | - | 1.10 | 0.68 | 1.15 |
| Infrastructure Line (Electricity) | 7.29 | - | 7.29 | 2.26 | 1.14 | - | 3.40 | 5.03 | 3.89 |
| Office Telephone & Security Sys. | 5.28 | 0.49 | 5.77 | 2.43 | 0.58 | - | 3.01 | 2.85 | 2.75 |
| Vehicle Bus & Car | 15.03 | - | 15.03 | 13.17 | - | - | 15.03 | 1.86 | 0.00 |
| Motor Cycle | 0.23 | - | 0.23 | 0.02 | 0.06 | - | 0.07 | 0.21 | 0.16 |
| LCD | 0.27 | - | 0.27 | - | 0.12 | - | 0.12 | 0.27 | 0.15 |
| IPAD | 0.33 | - | 0.33 | 0.01 | 0.15 | - | 0.15 | 0.32 | 0.17 |
| Mobile Phone | 0.38 | 1.89 | 2.28 | 0.02 | 0.67 | - | 0.69 | 0.36 | 1.58 |
| Land | 12.66 | - | 12.66 | - | - | - | - | 12.66 | 12.66 |
| Total | 1,517.22 | 70.39 | 1,587.61 | 613.56 | 94.64 | - | 710.11 | 903.66 | 877.50 |



| FY 2013-14 | | | | | | | | | |
|-----------------------------------|-----------------------------|------------------|-----------------------------|---------------------------------|-------------------------|--|----------------------------|-----------------------------|-----------------------------|
| Fixed Assets | Gross Block | | | Accumulated Depreciation | | | | Net Block | |
| | As at 01.04.2013 | Additions | As at 31.03.2014 | Upto 01.04.2013 | for the year | Deductions / Adjustment | Upto 31.03.2014 | As at 31.03.2013 | As at 31.03.2014 |
| Tangible Assets | | | | | | | | | |
| Building | 502.52 | - | 502.52 | 77.25 | 16.78 | - | 94.04 | 425.26 | 408.48 |
| Misc Fixed Assets | 428.38 | 60.25 | 488.62 | 106.63 | 35.38 | 105.79 | 247.80 | 321.75 | 240.82 |
| Plant & Machinery | 414.75 | - | 414.75 | 94.48 | 30.76 | 99.15 | 224.39 | 320.27 | 190.35 |
| Air Compressor & Dryer | 7.85 | - | 7.85 | 2.02 | 0.53 | 2.04 | 4.59 | 5.83 | 3.26 |
| Air Conditioner | 3.58 | 1.73 | 5.30 | 0.69 | 0.40 | 0.75 | 1.83 | 2.88 | 3.47 |
| Boiler | 7.83 | - | 7.83 | 2.02 | 0.53 | 2.04 | 4.58 | 5.81 | 3.25 |
| Borewell | 2.37 | - | 2.37 | 0.61 | 0.13 | - | 0.74 | 1.76 | 1.63 |
| Computers | 5.66 | 2.71 | 8.37 | 3.69 | 0.76 | 0.97 | 5.42 | 1.96 | 2.95 |
| Electric Installation | 27.54 | 1.35 | 28.89 | 7.05 | 1.47 | - | 8.52 | 20.50 | 20.37 |
| Furniture & Fixtures | 7.61 | - | 7.61 | 2.30 | 0.48 | - | 2.78 | 5.31 | 4.83 |
| Tools & Instruments | 1.63 | - | 1.63 | 0.42 | 0.11 | 0.42 | 0.95 | 1.21 | 0.68 |
| Infrastructure Line (Electricity) | 7.29 | - | 7.29 | 1.88 | 0.38 | - | 2.26 | 5.41 | 5.03 |
| Office Telephone & Security Sys. | 5.27 | 0.01 | 5.28 | 1.11 | 0.46 | 0.86 | 2.43 | 4.15 | 2.85 |
| Vehicle Bus & Car | 15.03 | - | 15.03 | 8.29 | 0.80 | 4.08 | 13.17 | 6.74 | 1.86 |
| Motor Cycle | - | 0.23 | 0.23 | - | 0.02 | - | 0.02 | - | 0.21 |
| LCD | - | 0.27 | 0.27 | - | - | - | - | - | 0.27 |
| IPAD | - | 0.33 | 0.33 | - | 0.01 | - | 0.01 | - | 0.32 |
| Mobile Phone | - | 0.38 | 0.38 | - | 0.02 | - | 0.02 | - | 0.36 |
| Land | 12.66 | - | 12.66 | - | - | - | - | 12.66 | 12.66 |
| Total | 1,449.96 | 67.26 | 1,517.22 | 308.44 | 89.01 | 216.11 | 613.56 | 1,141.52 | 903.66 |



| FY 2012-13 | | | | | | | | | |
|--------------------------------------|-----------------------------|------------------|-----------------------------|---------------------------------|-------------------------|---|----------------------------|-----------------------------|-----------------------------|
| Fixed Assets | Gross Block | | | Accumulated Depreciation | | | | Net Block | |
| | As at 01.04.2012 | Additions | As at 31.03.2013 | Upto 01.04.2012 | for the year | Deductio ns / Adjustme nts | Upto 31.03.2013 | As at 31.03.2012 | As at 31.03.2013 |
| Tangible Assets | | | | | | | | | |
| Building | 502.52 | - | 502.52 | 60.47 | 16.78 | - | 77.25 | 442.05 | 425.26 |
| Misc Fixed Assets | 428.38 | - | 428.38 | 82.91 | 23.72 | - | 106.63 | 345.47 | 321.75 |
| Plant & Machinery | 379.43 | 35.31 | 414.75 | 74.29 | 20.19 | - | 94.48 | 305.15 | 320.27 |
| Air Compressor & Dryer | 7.85 | - | 7.85 | 1.61 | 0.41 | - | 2.02 | 6.24 | 5.83 |
| Air Conditioner | 3.58 | - | 3.58 | 0.50 | 0.19 | - | 0.69 | 3.07 | 2.88 |
| Boiler | 7.83 | - | 7.83 | 1.60 | 0.41 | - | 2.02 | 6.23 | 5.81 |
| Borewell | 2.37 | - | 2.37 | 0.49 | 0.13 | - | 0.61 | 1.88 | 1.76 |
| Computers | 5.66 | - | 5.66 | 2.77 | 0.92 | - | 3.69 | 2.88 | 1.96 |
| Electric Installation | 27.54 | - | 27.54 | 5.59 | 1.45 | - | 7.05 | 21.95 | 20.50 |
| Furniture & Fixtures | 7.61 | - | 7.61 | 1.82 | 0.48 | - | 2.30 | 5.80 | 5.31 |
| Tools & Instruments | 1.63 | - | 1.63 | 0.33 | 0.09 | - | 0.42 | 1.30 | 1.21 |
| Infrastructure Line (Electricity) | 7.29 | - | 7.29 | 1.49 | 0.38 | - | 1.88 | 5.80 | 5.41 |
| Office Telephone & Security Sys. | 5.27 | - | 5.27 | 0.83 | 0.28 | - | 1.11 | 4.43 | 4.15 |
| Vehicle Bus & Car | 15.03 | - | 15.03 | 6.59 | 1.70 | - | 8.29 | 8.44 | 6.74 |
| Land | 12.66 | - | 12.66 | - | - | - | - | 12.66 | 12.66 |
| Total | 1,414.65 | 35.31 | 1,449.96 | 241.30 | 67.14 | - | 308.44 | 1,173.35 | 1,141.52 |



| FY 2011-12 | | | | | | | | | |
|-------------------------------------|-----------------------------|------------------|-----------------------------|---------------------------------|-------------------------|---|----------------------------|-----------------------------|-----------------------------|
| Fixed Assets | Gross Block | | | Accumulated Depreciation | | | | Net Block | |
| | As at 01.04.2011 | Additions | As at 31.03.2012 | Upto 01.04.2011 | for the year | Deducti ons / Adjust ments | Upto 31.03.2012 | As at 31.03.2011 | As at 31.03.2012 |
| Tangible Assets | | | | | | | | | |
| Building | 466.78 | 35.74 | 502.52 | 44.78 | 15.69 | - | 60.47 | 422.00 | 442.05 |
| Misc Fixed Assets | 428.38 | - | 428.38 | 60.29 | 22.62 | - | 82.91 | 368.08 | 345.47 |
| Plant & Machinery | 362.91 | 16.53 | 379.43 | 54.81 | 19.48 | - | 74.29 | 308.10 | 305.15 |
| Air Compressor & Dryer | 7.85 | - | 7.85 | 1.19 | 0.41 | - | 1.61 | 6.66 | 6.24 |
| Air Conditioner | 2.27 | 1.30 | 3.58 | 0.35 | 0.16 | - | 0.50 | 1.93 | 3.07 |
| Boiler | 7.83 | - | 7.83 | 1.19 | 0.41 | - | 1.60 | 6.64 | 6.23 |
| Borewell | 2.37 | - | 2.37 | 0.36 | 0.13 | - | 0.49 | 2.01 | 1.88 |
| Computers | 4.70 | 0.96 | 5.66 | 0.64 | 2.14 | - | 2.77 | 4.06 | 2.88 |
| Electric Installation | 27.28 | 0.26 | 27.54 | 4.14 | 1.45 | - | 5.59 | 23.14 | 21.95 |
| Furniture & Fixtures | 7.58 | 0.03 | 7.61 | 1.12 | 0.70 | - | 1.82 | 6.46 | 5.80 |
| Tools & Instruments | 1.63 | - | 1.63 | 0.25 | 0.09 | - | 0.33 | 1.38 | 1.30 |
| Infrastructure Line (Electricity) | 7.29 | - | 7.29 | 1.11 | 0.38 | - | 1.49 | 6.18 | 5.80 |
| Office Telephone & Security Sys. | 5.27 | - | 5.27 | 0.56 | 0.28 | - | 0.83 | 4.71 | 4.43 |
| Vehicle Bus & Car | 15.03 | - | 15.03 | 2.28 | 4.31 | - | 6.59 | 12.75 | 8.44 |
| Land | 12.66 | - | 12.66 | - | - | - | - | 12.66 | 12.66 |
| Total | 1,359.83 | 54.81 | 1,414.65 | 173.06 | 68.24 | - | 241.30 | 1,186.77 | 1,173.35 |

**DETAILS OF NON-CURRENT INVESTMENTS AS RESTATED****ANNEXURE- XIV****(Rs in Lacs)**

| Particulars | As at September 30, | As at March 31, | | | | |
|---|---------------------------|-----------------|-------------|-------------|-------------|-------------|
| | 2016 | 2016 | 2015 | 2014 | 2013 | 2012 |
| Investments | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Aggregate amount of unquoted Investments | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |

DETAILS OF INVENTORIES AS RESTATED**ANNEXURE- XV****(Rs in Lacs)**

| Particulars | As at September 30, | As at March 31, | | | | |
|--|---------------------------|-----------------|---------------|---------------|---------------|---------------|
| | 2016 | 2016 | 2015 | 2014 | 2013 | 2012 |
| a. Raw Materials and components (Valued at Cost or Market Price whichever is less) | 172.55 | 171.62 | 285.92 | 342.00 | 222.69 | 112.97 |
| b. Work-in-progress (Valued at Cost or Market Price whichever is less) | - | - | - | 110.25 | 134.99 | 70.60 |
| c. Finished Goods (Valued at Cost or Market Price whichever is less) | 447.25 | 352.78 | 331.98 | 134.56 | 66.47 | 98.84 |
| T O T A L | 619.81 | 524.40 | 617.90 | 586.81 | 424.15 | 282.41 |

DETAILS OF TRADE RECEIVABLES AS RESTATED**ANNEXURE- XVI****(Rs in Lacs)**

| Particulars | As at September 30, | As at March 31, | | | | |
|---|---------------------------|-----------------|---------------|---------------|---------------|---------------|
| | 2016 | 2016 | 2015 | 2014 | 2013 | 2012 |
| Over Six Months-unsecured,considered good | 1,700.21 | 62.60 | 564.74 | 34.15 | 100.84 | 121.50 |
| Others | 19.03 | 1,575.07 | 63.39 | 718.51 | 326.08 | 110.36 |
| T O T A L | 1,719.24 | 1,637.67 | 628.13 | 752.66 | 426.92 | 231.87 |

DETAILS OF CASH AND CASH EQUIVALENTS AS RESTATED**ANNEXURE- XVII****(Rs in Lacs)**

| Particulars | As at September 30, | As at March 31, | | | | |
|------------------------|---------------------------|-----------------|--------------|--------------|--------------|--------------|
| | 2016 | 2016 | 2015 | 2014 | 2013 | 2012 |
| Cash and Bank Balances | 47.57 | 31.17 | 2.36 | 3.05 | 11.88 | 10.86 |
| FDR with Bank | 129.24 | 72.18 | 44.58 | 51.60 | 41.25 | 24.90 |
| T O T A L | 176.81 | 103.35 | 46.94 | 54.65 | 53.13 | 35.76 |



DETAILS OF SHORT TERM LOAN AND ADVANCES AS RESTATED

ANNEXURE- XVIII

(Rs in Lacs)

| Particulars | As at September 30, | As at March 31, | | | | |
|------------------------|---------------------------|-----------------|---------------|---------------|--------------|--------------|
| | 2016 | 2016 | 2015 | 2014 | 2013 | 2012 |
| Advance to others | 82.24 | 42.35 | 37.73 | 27.93 | 7.32 | 1.45 |
| Advance to Suppliers | 365.00 | 293.48 | 337.26 | 129.68 | 26.26 | 39.77 |
| VAT | - | 7.42 | 3.67 | 0.05 | 13.81 | 11.66 |
| Accrued Interest | - | - | 0.69 | 0.34 | 1.02 | 0.22 |
| Prepaid Bank Guarantee | - | 3.14 | - | - | - | - |
| Subsidy Receivable | - | - | - | 30.00 | - | - |
| Mat Credit Entitlement | 6.70 | 8.96 | 5.88 | 0.45 | - | - |
| Excise Duty Refund | - | 4.20 | 7.02 | 5.60 | - | - |
| AMC Prepaid | - | 0.45 | - | - | - | - |
| TDS/TCS Receivable | 2.60 | 2.32 | 2.66 | 2.47 | 1.84 | 0.80 |
| Earnest Money Tender | 19.43 | 10.22 | - | - | - | - |
| Prepaid LC Charges | - | - | 5.97 | - | 1.62 | 0.11 |
| Prepaid Insurance | - | 1.55 | 1.19 | 0.21 | 0.15 | 0.17 |
| T O T A L | 475.97 | 374.10 | 402.07 | 196.73 | 52.01 | 54.19 |

DETAILS OF REVENUE FROM OPERATIONS AS RESTATED

ANNEXURE- XIX

(Rs in Lacs)

| Particulars | September 30, | For the period ended March 31, | | | | |
|--------------------------------|------------------|--------------------------------|-----------------|-----------------|-----------------|---------------|
| | 2016 | 2016 | 2015 | 2014 | 2013 | 2012 |
| REVENUE FROM OPERATIONS | | | | | | |
| Sale of products (Medicines) | 2,977.38 | 5,478.64 | 3,682.93 | 3,447.91 | 1,583.33 | 656.69 |
| Other operating revenues | 0.21 | 13.65 | 1.23 | 2.02 | 41.58 | 20.40 |
| T O T A L | 2,977.59 | 5,492.30 | 3,684.16 | 3,449.93 | 1,624.91 | 677.08 |

DETAILS OF OTHER INCOME AS RESTATED

ANNEXURE- XX

(Rs in Lacs)

| Particulars | September 30, | For the period ended March 31, | | | | | Nature |
|--------------------------------------|------------------|--------------------------------|---------------|---------------|---------------|----------------|---|
| | 2016 | 2016 | 2015 | 2014 | 2013 | 2012 | |
| Other Income | 0.82 | 21.03 | 9.46 | 11.96 | 3.73 | 0.51 | Interest Income & Non operating income |
| Net Profit Before Tax as Restated | 192.62 | 222.06 | 60.13 | 44.70 | 15.02 | (199.60) | |
| Percentage | 0.43% | 9.47% | 15.74% | 26.77% | 24.82% | (0.26%) | |
| Source of Income | | | | | | | |
| Interest income | - | 4.94 | 4.61 | 4.35 | 1.96 | 0.51 | Recurring and related to business activity. |
| Miscellaneous Income | 0.82 | 16.09 | 4.85 | 7.62 | 1.77 | - | Recurring and related to business activity |
| T O T A L | 0.82 | 21.03 | 9.46 | 11.96 | 3.73 | 0.51 | |



DETAILS OF RELATED PARTY TRANSACTIONS AS RESTATED

ANNEXURE- XXI

(Rs in Lacs)

| Particulars | Nature of Transaction | Amount of transaction during the period ended Sept 30, 2016 | Amount outstanding as on Sept 30 ,2016 (Payable)/ Receivable | Amount of transaction during the period year March 31, 2016 | Amount outstanding as on March 31 ,2016 (Payable)/ Receivable | Amount of transaction during the period year March 31, 2015 | Amount outstanding as on March 31 ,2015 (Payable)/ Receivable | Amount of transaction during the period year March 31, 2014 | Amount outstanding as on March 31 ,2014 (Payable)/ Receivable | Amount of transaction during the period year March 31, 2013 | Amount outstanding as on March 31 ,2013 (Payable)/ Receivable | Amount of transaction during the period year March 31, 2012 | Amount outstanding as on March 31 ,2012 (Payable)/ Receivable |
|--------------------------------|------------------------|---|---|---|--|---|--|---|--|---|--|---|--|
| Rajesh Gupta | Directors Remuneration | 1.80 | - | 3.60 | - | | | | | | | | |
| Saruchi Gupta | Directors Remuneration | 1.80 | - | 3.60 | - | | | | | | | | |
| G.D. Foods | Advances | 1.25 | 1.25 | - | - | | | | | | | | |
| ANG Healthcare India Pvt. Ltd. | Loans Taken | 190.20 | (92.82) | | | | | | | | | | |
| | Loan Given / Repaid | 97.38 | | | | | | | | | | | |
| ANG Healthcare India Pvt. Ltd. | Purchase | 170.51 | (170.41) | | | | | | | | | | |
| Shrishti Interior | Purchase | | | | | | | | | | | 5.72 | (77.41) |
| | Loan | | 213.32 | | 247.58 | | 286.63 | | 71.26 | | (150.56) | | |



SUMMARY OF ACCOUNTING RATIOS AS RESTATED

ANNEXURE- XXII

(Rs in Lacs)

| Particulars | For the period ended March 31, | | | | | |
|---|--------------------------------|---------------|---------------|--------------|----------------|-----------------|
| | 30.09.2016 | 2016 | 2015 | 2014 | 2013 | 2012 |
| Restated PAT as per P& L Account | 148.07 | 165.48 | 40.40 | 19.29 | (6.21) | (171.16) |
| Weighted Average Number of Equity Shares at the end of the Year | - | - | - | - | - | - |
| Number of Equity Shares outstanding at the end of the Year | 36.83 | 36.83 | 36.83 | 36.83 | 36.83 | 36.83 |
| Net Worth | 625.13 | 477.06 | 311.58 | 271.22 | 226.93 | 233.14 |
| Earnings Per Share | | | | | | |
| Basic & Diluted | 4.02 | 4.49 | 1.10 | 0.52 | (0.17) | (4.65) |
| Return on Net Worth (%) | 23.69% | 34.69% | 12.97% | 7.11% | (2.74)% | (73.42)% |
| Net Asset Value Per Share (Rs) | 16.98 | 12.95 | 8.46 | 7.37 | 6.16 | 6.33 |

Calculation of Ratios

| | |
|---|--|
| Basic and Diluted Earning per Share (EPS) (Rs.) | $\frac{\text{Restated Profit after tax available to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares at the end of the period}}$ |
| Return on Network (%) | $\frac{\text{Restated Profit after tax available to Equity Shareholders}}{\text{Restated Network of Equity Shareholders}}$ |
| Net Asset Value per Equity Share (Rs.) | $\frac{\text{Restated Network to Equity Shareholders}}{\text{Number of Equity Shares outstanding at the end of the year/period}}$ |

CAPITALISATION STATEMENT AS AT SEPTEMBER 30, 2016

ANNEXURE - XXIII

(Rs in Lacs)

| Particulars | Pre Issue | Post Issue |
|--|-----------------|-----------------|
| Borrowings | | |
| Short Term Debt | 470.05 | 470.05 |
| Current Maturity of Long Term Liability | 104.57 | 104.57 |
| Long Term Debt | 635.12 | 635.12 |
| Total debts | 1,209.74 | 1,209.74 |
| Shareholders' Funds | | |
| Equity Share Capital | 368.25 | 518.33 |
| Reserve and surplus - as restated | 256.88 | 1,307.44 |
| Total Shareholders' Funds | 625.13 | 1,825.77 |
| Long Term Debt / Shareholders Funds | 1.02 | 0.35 |
| Total debt / Shareholders Funds | 1.94 | 0.66 |



STATEMENT OF TAX SHELTERS

ANNEXURE - XXIV

(Rs in Lacs)

| Particulars | Period ended Sept 30, 2016 | Year ended March 31, 2016 | Year ended March 31, 2015 | Year ended March 31, 2014 | Year ended March 31, 2013 | Year ended March 31, 2012 |
|---|----------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Profit before tax as per books (A) | 192.62 | 222.06 | 60.13 | 44.70 | 15.02 | (199.60) |
| Tax Rate as per Income Tax (%) | 33.06% | 33.06% | 30.90% | 30.90% | 30.90% | 30.90% |
| MAT Rate (&) | 20.39% | 20.39% | 19.06% | 19.06% | 19.06% | 19.06% |
| Adjustments : | | | | | | |
| Permanent Differences(B) | | | | | | |
| Donation | 0.08 | 0.10 | 0.06 | 0.07 | - | - |
| Expenses on which TDS not deducted & Interest | - | 1.84 | 3.48 | 0.38 | 0.95 | 1.70 |
| ESIC & PF | - | 3.49 | 1.74 | 0.54 | 0.16 | 0.12 |
| Total Permanent Differences(B) | 0.08 | 5.43 | 5.28 | 0.99 | 1.11 | 1.82 |
| Income considered separately (C) | | | | | | |
| Total Income considered separately (C) | - | - | - | - | - | - |
| Timing Differences (D) | | | | | | |
| Difference between tax depreciation and book depreciation | 6.48 | 0.94 | (6.49) | 199.82 | (48.31) | (46.93) |
| Difference due to expenses allowable/disallowable u/s 43B | - | (47.52) | (31.79) | (13.55) | 110.48 | 138.94 |
| Total Timing Differences (D) | 6.48 | (46.58) | (38.28) | 186.28 | 62.17 | 92.01 |
| Net Adjustments E = (B+C+D) | 6.56 | (41.14) | (33.00) | 187.26 | 63.28 | 93.83 |
| Tax expense / (saving) thereon | 2.00 | (13.00) | (10.00) | 58.00 | 20.00 | 29.00 |
| Income from Other Sources | - | - | - | - | - | - |
| Income from Other Sources (F) | - | - | - | - | - | - |
| Income/(Loss) (G=A+E+F) | 199.18 | 180.91 | 27.13 | 231.96 | 78.31 | (105.76) |
| Less: Loss b/f (H) | | | | (194.72) | (78.31) | 105.76 |
| Less: Deduction u/s 80IC (I) | (59.73) | (54.27) | (8.14) | (11.17) | - | - |
| Taxable Income/(Loss) (G-H-I) | 139.45 | 126.64 | 18.99 | 26.06 | - | - |
| Income/(Loss) as per MAT | 192.62 | 222.06 | 60.13 | 44.70 | 15.02 | (199.60) |
| Less: Unabsorbed Depreciation or business loss | | | | | (15.02) | |
| Taxable Income/(Loss) as per MAT | 192.62 | 222.06 | 60.13 | 44.70 | - | (199.60) |
| Income Tax as per Income Tax | 45.24 | 41.09 | 5.87 | 8.05 | - | - |
| Income Tax as per MAT | 39.27 | 45.27 | 11.46 | 8.52 | - | - |
| Tax paid as per normal or MAT | Normal | MAT | MAT | MAT | N.A. | N.A. |



STATEMENT OF FINANCIAL INDEBTEDNESS

Brief details on the financial indebtedness of **ANG Lifesciences India Limited** as on September 30, 2016 is as under:

(Amount in Lacs)

| Nature of borrowings | Amount |
|-----------------------------|----------------|
| Secured | 873.52 |
| Unsecured | 231.65 |
| Total | 1105.17 |

Secured Loan

(Amount in Lacs)

| Name of Lender | Purpose | Date of Sanction /Restructure | Sanctioned Amount | Rate of interest | Security offered/ Collateral Securities offered | Re-payment | Outstanding amount as on 30.09.2016 |
|-----------------------|----------------|--------------------------------------|--------------------------|------------------------------|---|---|--|
| Punjab National Bank | Business | 05/01/2013 | 430.06 | Base Rate 9.40+3.70 %=13.10% | (a) Guaranteed by the directors of the company and third party guarantees. (b) First pari-passu charge over the land and building and the entire plant and machinery of the company. | 60 monthly installments starting from Oct 2013, First 18 Instalments of Rs. 537581/- each, Next 36 Instalments of Rs. 716775/- each, Last 6 Instalments of Rs. 1254356/- each, ends in Sep 2018 | 163.49 |
| Punjab National Bank | Business | 05/01/2013 | 137.27 | Base Rate 9.60+3.50 %=13.10% | (a) Guaranteed by the directors of the company and third party guarantees. (b) First pari-passu charge over the land and building and the entire plant and machinery of the company. | 60 monthly installments starting from Oct 2013, First 18 Instalments of Rs. 171586/- each, Next 36 Instalments of Rs. 228781/- each, Last 6 Instalments of Rs. 400367/- each, ends in Sep 2018 | 52.07 |
| Punjab National Bank | Business | 05/01/2013 | 19.51 | Base Rate 9.60+3.50 %=13.10% | (a) Guaranteed by the directors of the company and third party guarantees. (b) First pari-passu charge over the land and building and the entire plant and | 60 monthly instalments starting from Oct 2013, First 18 Instalments of Rs. 24383/- each, Next 36 Instalments of Rs. 32510/- each, Last 6 Instalments | 7.08 |



| | | | | | | | |
|----------------------|-----------------|------------|--------|------------------------------|---|---|--------|
| | | | | | machinery of the company. | of Rs. 56893/- each, ends in Sep 2018 | |
| Punjab National Bank | FITL Loan | 05/01/2013 | 249.42 | Base Rate 9.60+3.50 %=13.10% | (a) Guaranteed by the directors of the company and third party guarantees. (b) First pari-passu charge over the land and building and the entire plant and machinery of the company. | 60 monthly instalments starting from Oct 2013, 1st Instalment of Rs. 2.22 Lacs each, Next 5 Instalment of Rs. 3.12 Lacs each, Next 8 Instalment of Rs. 2.22 Lacs each, Next 4 Instalment of Rs. 3.22 Lacs each, Next 24 Instalment of Rs. 3.96 Lacs each, Next 17 Instalment of Rs. 5.96 Lacs each, Last Instalment of Rs. 4.60 Lacs ends in Sep 2018 | 107.32 |
| Punjab National Bank | Car Loan | 30/11/2015 | 50.00 | 9.85% | (a) Guaranteed by the directors of the company and third party guarantees. (b) First pari-passu charge over the land and building and the entire plant and machinery of the company. | 84 monthly instalments starting from Dec 2015 Instalment of Rs. 59524 ends in Nov 2022 | 41.54 |
| Punjab National Bank | Car Loan | 03/09/2015 | 13.75 | 10.00% | Hypothecation of Vehicle | 36 monthly instalments starting from Oct 2015 Instalment of Rs. 38194 ends in Sep 2018 | 7.02 |
| Punjab National Bank | Car Loan | 03/08/2016 | 18.50 | 10.00% | Hypothecation of Vehicle | 84 monthly instalments starting from Sep 2016 Instalment of Rs. 22024 ends in Aug 2023 | 16.95 |
| DHFL | Business Loan | 31/07/2016 | 63.61 | 14.75% | Hypothecation of Plant and Machinery | 60 monthly instalments of Rs. 149791/- | 8.00 |
| Punjab National Bank | Working Capital | 24/11/2015 | 500.00 | Base Rate 9.60+3.50 %=13.10% | a) Guaranteed by the directors of the company and third party guarantees. (b) First pari-passu | Repayable on demand | 470.05 |



| | | | | | | | |
|--------------|--|--|--|--|--|--|-------------------|
| | | | | | charge over the land and building and the entire plant and machinery of the company. | | |
| Total | | | | | | | Rs. 873.52 |

Restrictive Covenants

The above loan agreements include various restrictive covenants in relation to certain actions to be undertaken by our Company and for which prior approval of the Bank is required. The major restrictive covenants are mentioned below:

- Effect any change in the capital structure of the Company
- Formulate any scheme of amalgamation or reconstruction
- Undertake any new projector expansion or modernization schemes or make any capital expenditure
- Enter into borrowing arrangements either on secured or unsecured basis with any other bank
- Undertake guarantee obligations on behalf of any other borrower/organization
- Create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution bank borrower firm or persons
- Sale, assign mortgage alienate or otherwise dispose of any of the assets of the Company charged to bank
- Transfer of controlling interest or make any drastic change in the management set up

Unsecured Loan

| <i>(Amount in Lacs)</i> | | |
|-------------------------|------------------------|--|
| Sr. No. | Name of Lender | Outstanding amount as on 30.09.2016 |
| | <u>Part A</u> | |
| 1 | Abhishek Industries | 6.00 |
| 2 | Arun Bhanot | 1.31 |
| 3 | Bimlavati | 1.00 |
| 4 | Boor Chand Chamanlal | 0.54 |
| 5 | Davinder Kumari | 13.95 |
| 6 | Gauri Arora | 0.83 |
| 7 | Guljinder Singh | 3.00 |
| 8 | Harman Arora | 2.72 |
| 9 | Heritage Projects | 34.75 |
| 10 | J.K. Builders | 2.00 |
| 11 | Jay Kay Traders | 3.00 |
| 12 | Kunal Dammi Arun Kumar | 6.50 |
| 13 | Madhu Arora | 42.55 |
| 14 | Neeraj Gupta | 10.00 |
| 15 | Preet Industries | 2.00 |
| 16 | Ravi Goel | 5.00 |
| 17 | S.S. Bhola | 1.00 |
| 18 | Srishti Infrastructure | 10.16 |
| 19 | Sukhleen Kaur | 4.00 |
| 20 | Surjit Singh | 5.00 |
| 21 | The Garden Store | 0.93 |
| 22 | Yukti Dhammi | 2.00 |
| | Total (A) | 158.24 |
| | Part B | |



| | | |
|----|-------------------------|---------------|
| 1 | Aagaz Society | 6.00 |
| 2 | Guru Raja Pharma Sales | 5.00 |
| 3 | Kirti Healthcare | 6.00 |
| 4 | Ashirwad Medicines | 1.65 |
| 5 | Blue Star Enterprises | 5.00 |
| 6 | BVM Pharma | 2.00 |
| 7 | Dhanlaxmi | 3.00 |
| 8 | Dipak Pharmaceuticals | 2.00 |
| 9 | Gayatri Medicates | 5.00 |
| 10 | Gayatri Pharma | 5.00 |
| 11 | Guru Bandhu Enterprises | 3.23 |
| 12 | KayMS Pharma | 2.50 |
| 13 | Lekhana Pharma | 3.00 |
| 14 | Life Genetics | 5.00 |
| 15 | Medichem Surgicals | 2.01 |
| 16 | R. K. Enterprises | 2.00 |
| 17 | Royal Remedies | 2.64 |
| 18 | Shrinath | 5.00 |
| 19 | Sumukha Pharma | 3.00 |
| 20 | Other Miscellaneous | 4.37 |
| | Total B | 73.41 |
| | Total (A) + (B) | 231.65 |



MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations together with our audited restated financial statements prepared in accordance with paragraph B of Part II of Schedule II to the Companies Act and SEBI (ICDR) Regulations, including the schedules, annexure and notes thereto and the reports thereon of each of the financial years ended March 31, 2012, 2013, 2014, 2015 & 2016 and for the period ended September 30, 2016 in the chapter titled "Financial Information" on page 107 of this Draft Prospectus. The following discussion relates to our Company and, unless otherwise stated, is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Accounting Standards and other applicable provisions of the Companies Act and the SEBI (ICDR) Regulations. Our financial year ends on March 31 of each year so accordingly all references to a particular financial year are to the twelve months ended March 31 of that year.

Industry Overview

The Global Pharmaceutical Industry

According to the Economic Intelligence Unit (EIU), pharmaceutical sales are projected to increase an average of 6.9 percent annually over 2014-2018, outpacing the estimated global health care spending rate of 5.2 percent during that same period. Total pharma revenues are expected to increase from \$1.23 trillion in 2014 to \$1.61 trillion in 2018. In addition to oncology drugs, the cardiovascular therapeutic class will likely prosper, with four of the 10 projected blockbusters drugs belonging to the category. Spending on midmarket prescription drugs used for treating common chronic diseases is likely to stagnate as prices fall. Demand for generic drugs will continue to rise as payors take advantage of patent expiries to reduce costs.

The Indian Pharmaceutical 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.



Overview

| | |
|---------------------------------------|--|
| Leading pharma producer | <ul style="list-style-type: none"> Indian pharmaceutical sector accounts for about 2.4 percent of the global pharmaceutical industry in value terms and 10 percent in volume terms |
| One of the highest exports | <ul style="list-style-type: none"> India accounts for 20 percent of global exports in generics |
| Among fastest growing industries | <ul style="list-style-type: none"> The country's pharmaceutical industry is expected to expand at a CAGR of 22.42 percent over 2015–20 to reach USD 55 billion |
| Rapidly growing healthcare sector | <ul style="list-style-type: none"> Indian healthcare sector, one of the fastest growing sectors, is expected to advance at a CAGR of 17 percent to reach USD 250 billion over 2008–20 |
| Growing generics market | <ul style="list-style-type: none"> The generics market is expected to grow to USD 26.1 billion by 2016 from USD 14.2 billion in 2015; India's generics market has immense potential for growth |
| Ranked 5th in terms of attracting FDI | <ul style="list-style-type: none"> Cumulative FDI inflows worth USD 13.3 billion from April 2000 to May 15 Attracted 5.19 percent of the total FDIs into India from April 2000 to May 15 |

Business Overview

Our company 'ANG Lifesciences India Limited' incorporated in the year 2006, engaged in the business of manufacturing and marketing of finished pharmaceutical formulations in a dosage form of sterile dry powder injection vials.

We carry out our production through our state-of-the-art manufacturing unit spread over 45,000 Sq. Ft. situated at Village Kishan pura, P.O. Manpura Baddi Nalagarh Road, Tehsil Nalagarh, Dist. Solan, Himachal Pradesh. Presently, our total built up area of 45,000 Sq. Ft. is dedicated to manufacturing of Dry Powder Injectables. Our manufacturing unit is well equipped with the most modern and validated manufacturing and analytical equipments and detailed standard operating procedures (SOP's) are in place with respect to Quality management, Personnel, Premises, Equipment, Documentation, Production, Complaints and Self Inspection/Audits.

Our company is ISO-9001:2008 certified and has the most modern & sophisticated plant, equipments, technique and manpower. The planning and construction of plant has been done to conform to the regulatory requirements as per the norms of WHO G.M.P. and G.L.P. as per schedule-M (revised). We manufacture our products in compliance with GMP requirements. We have dedicated area, machinery, facilities and advanced equipments for manufacturing of B-Lactum & Non-B Lactum products as per GMP Norms. The production block provides appropriate personnel and material flow. As per GMP norms, all the production processes are documented and validated to establish the accuracy of the procedures and the control measures. Our production capacity is 2,100 Lacs Pcs per annum on three shift basis.

Our products include sterile dry powder vials for Anti Biotics, Anti Ulcerant, Gluco corticoid and Anti inflammatory, Anti malarial and Anesthetic.



FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATIONS

Our results of operations could potentially be affected by the following factors amongst others:

Our Relationships with Customers

We believe in client retention and derive a significant proportion of our revenues from repeat business. We have long-term relationships with our key customers and our sales to these customers are conducted on the basis of purchase orders that they place with us from time to time. Most of our customers provide us with forecasts of order volumes that help us estimate our production volumes and our revenue for that particular product or business line. We believe that our ability to establish and strengthen client relationships will be an important factor in our future growth and our ability to continue increasing our profitability.

Sales volume of our Products, Launches of New Products and Pricing of our Products

The key growth driver for increase in our results of operations has been the volume growth of our existing products. Actual volumes and specifications of customer orders are fixed only if and when customers place purchase orders with us. Our actual production volumes may differ significantly from our estimates due to variations in customer demand for our products.

Further, since the number of purchase orders that our customers place with us may differ from year to year, which may adversely affect our revenues margins and, as a result, our results of operations

Production Costs and Quality of our Manufacturing Facilities

Our ability to maintain our position as a low-cost producer and increase our cost competitiveness is dependent on the efficient management of our production costs. The availability of key raw materials at competitive prices is critical and price fluctuations may adversely affect our margins and, as a result, our results of operations. Additionally, any significant changes in excise duties levied on raw materials and finished products and changes in salary costs of our employee could have an adverse effect on our financial condition and results of operations. In addition, in order to maximize our profits, we must maintain an appropriate standard of quality in our manufacturing facilities' equipment and processes. Attaining and maintaining this level of quality requires considerable expense and planning. If we are unable to achieve and preserve the necessary level of quality in our manufacturing processes and facilities in the future, our financial condition and results of operations may be adversely affected.

Competition from other industry players

Our products face intense competition from products commercialized or under development by competitors in all our therapeutic areas. Our business, prospects, results of operations and financial condition could be adversely affected if our competitors gain significant market share at our expense in areas in which we are focused. Many of our competitors may have greater financial, manufacturing, research and development, marketing and other resources, more experience in obtaining regulatory approvals, greater geographic reach, broader product ranges and stronger sales forces. Accordingly, our results of operations depend significantly on various factors such as the demand for our products in the markets we operate in, our ability to manage our growth strategy and expansion plans, including our ability to grow our exports and our ability to grow and manage our distribution network in India.

Macroeconomic Factors

Macroeconomic factors, both in the Indian and international contexts, such as economic instability, political uncertainty, social upheavals or acts of God could influence our business. In addition, fluctuations in interest rates, exchange rates and inflation would have an effect on certain key aspects of our operations, including on the costs of our raw materials, the prices at which we can sell our pharmaceutical products, our finance costs required to fund our operations and profit margins.



Summary of the Results of Operation

The following table sets forth select financial data from restated standalone profit and loss accounts for the period ended September 30, 2016 and for the years ended March 31, 2016, 2015, 2014, and 2013 and the components of which are also expressed as a percentage of total income for such periods.

| Particulars | September 30, | | For the period ended March 31, | | | | | | | |
|---|-----------------|-------------------|--------------------------------|-------------------|-----------------|-------------------|-----------------|-------------------|-----------------|-------------------|
| | 2016 | % of Total Income | 2016 | % of Total Income | 2015 | % of Total Income | 2014 | % of Total Income | 2013 | % of Total Income |
| INCOME | | | | | | | | | | |
| Revenue from Operations | 2,977.59 | 99.97% | 5,492.30 | 99.62% | 3,684.16 | 99.74% | 3,449.93 | 99.65% | 1,624.91 | 99.77% |
| Other Income | 0.82 | 0.03% | 21.03 | 0.38% | 9.46 | 0.26% | 11.96 | 0.35% | 3.73 | 0.23% |
| Total Income (A) | 2,978.41 | 100.00% | 5,513.32 | 100.00% | 3,693.63 | 100.00% | 3,461.89 | 100.00% | 1,628.64 | 100.00% |
| EXPENDITURE | | | | | | | | | | |
| Cost of Material Consumed | 2,160.83 | 72.55% | 4,107.11 | 74.49% | 2,768.34 | 74.95% | 2,594.26 | 74.94% | 1,163.54 | 71.44% |
| Changes in inventories of finished goods, traded goods and work-in-progress | (94.47) | (3.17%) | (20.80) | (0.38%) | (87.18) | (2.36%) | (43.34) | (1.25%) | (32.02) | (1.97%) |
| Employee Benefit Expenses | 228.09 | 7.66% | 346.50 | 6.28% | 237.00 | 6.42% | 120.25 | 3.47% | 57.63 | 3.54% |
| Finance costs | 69.32 | 2.33% | 165.94 | 3.01% | 165.94 | 4.49% | 150.82 | 4.36% | 183.30 | 11.26% |
| Depreciation and amortisation expense | 52.70 | 1.77% | 105.98 | 1.92% | 94.64 | 2.56% | 305.12 | 8.81% | 67.14 | 4.12% |
| Other Expenses | 369.33 | 12.40% | 586.53 | 10.64% | 454.75 | 12.31% | 290.08 | 8.38% | 174.02 | 10.68% |
| Total Expenses (B) | 2,785.79 | 93.53% | 5,291.26 | 95.97% | 3,633.50 | 98.37% | 3,417.19 | 98.71% | 1,613.62 | 99.08% |
| Profit before extraordinary items and tax (C) | 192.62 | 6.47% | 222.06 | 4.03% | 60.13 | 1.63% | 44.70 | 1.29% | 15.02 | 0.92% |
| Extraordinary items | - | - | - | - | - | - | - | - | - | - |
| Profit before tax (D) | 192.62 | 6.47% | 222.06 | 4.03% | 60.13 | 1.63% | 44.70 | 1.29% | 15.02 | 0.92% |
| <i>Tax expense :</i> | | | | | | | | | | |
| (i) Current tax | 45.99 | 1.54% | 45.27 | 0.82% | 13.80 | 0.37% | 9.70 | 0.28% | 0.00 | 0.00% |
| Less: MAT Credit | - | - | (3.09) | (0.06%) | (5.43) | (0.15%) | (0.45) | (0.01%) | 0.00 | 0.00% |
| (ii) Deferred tax | (1.44) | (0.05%) | 14.39 | 0.26% | 11.35 | 0.31% | 16.15 | 0.47% | 21.23 | 1.30% |
| (iii) Tax in respect of earlier year | - | - | - | - | - | - | - | - | - | - |
| Total Tax Expense (E) | 44.55 | 1.50% | 56.58 | 1.03% | 19.73 | 0.53% | 25.40 | 0.73% | 21.23 | 1.30% |
| Profit for the year (D-E) | 148.07 | 4.97% | 165.48 | 3.00% | 40.40 | 1.09% | 19.29 | 0.56% | (6.21) | (0.38%) |

Key Components of Our Profit And Loss Statement

Revenue from operations

Revenue from operations comprises of revenue from manufacture and sale of pharmaceutical formulations.

Other Income

Other income primarily comprises Interest Income, Profit on Sale of Fixed Assets, Income from job work by our company etc.

Cost of Raw Material consumed

Cost of materials consumed comprises cost of raw materials for manufacturing our products and packing materials as adjusted for inventory levels.

Changes in inventories

Changes in inventories represent changes in inventory levels of finished goods, traded goods and work in progress.

Employee benefits expense

Employee benefit expense includes salaries and wages, staff welfare expenses, bonus, Directors remuneration and Contribution to Provident Fund.

Finance Costs

Finance cost comprises Interest on Indebtedness, bank and other Finance charges.

Depreciation and amortization expenses

We recognize depreciation and amortization expense on a Written down value method as per the provisions set forth in the Companies Act 2013.

Other expenses

Other expenses consist of Other Manufacturing and Administrative Expenses.

Financial Performance for the Six Months period ended September 30, 2016

Income

Revenue from Operations

During the period ended September 30, 2016 our Revenue from Operations is Rs. 2,977.59 Lacs which is 99.97% of Total Income.

Other Income

During the period ended September 30, 2016 our Other Income is Rs. 0.82 Lacs which is 0.03% of Total Income.

Expenditure

Total Expenses

The Total Expenditure for the period ended September 30, 2016 is Rs. 2,785.79 Lacs which is about 93.53% of the Total Income.

**Cost of Material Consumed**

Our Company has incurred Rs. 2,160.83 Lacs for cost of Material consumed during the period ended September 30, 2016 which is about 72.55 % of the Total Income.

Changes in inventory

Changes in the inventory of finished goods, work in progress during the period ended September 30, 2016 is Rs. (94.47) Lacs which is about (3.17) % of the Total Income.

Employee Benefits Expenses

Our Company has incurred Rs. 228.09 Lacs as employee benefit expenses during the period ended September 30, 2016 which is about 7.66% of the Total Income.

Finance Costs

Finance cost for the period ended September 30, 2016 is Rs. 69.32 Lacs which is about 2.33% of the Total Income.

Depreciation and Amortization Expenses

Depreciation for the period ended September 30, 2016 is Rs. 52.70 Lacs calculated as per companies Act, is about 1.77% of the Total Income.

Other Expenses

Our Company has incurred Rs. 369.33 Lacs for the period ended September 30, 2016 which is about 12.40% of the Total Income.

Profit before Tax

The Profit before tax for the for the period ended September 30, 2016 stood at 192.62 Lacs which is 6.47% of the Total Income

Profit after Tax

The Profit after Tax for the for the period ended September 30, 2016 stood at 148.07 Lacs which is 4.97% of the Total Income

Since, the results are for Six Months, Comparison with previous financial year would not reflect actual performance of the Company so the comparison has not been provided.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2016 WITH FISCAL 2015**Income****Revenue from Operations**

During the F.Y. 2015-16 the Revenue from Operations of our company increased to Rs. 5,492.30 Lacs as against Rs. 3,684.16 Lacs for the F.Y 2014-15, representing increase of 49.08%. Such increase was attributed to increased volumes of sales due to marketing initiatives taken by the Company.

Other Income

During the F.Y. 2015-16 the Other Income of our company increased to Rs. 21.03 Lacs as against Rs. 9.46 Lacs for the F.Y 2014-15, representing increase by 122.20%. Such increase was attributed to increase in non operating income viz. job work done by our Company.



Expenditure

Total Expenses

The Total Expenditure for the F.Y. 2015-16 increased to Rs. 5,291.26 Lacs from Rs. 3,633.50 Lacs during the F.Y. 2014-15. The increase of 45.62% is in line with increase in scale of operations.

Raw Material Consumed

Our Company has incurred Rs. 4,107.11 Lacs as cost of material consumed during the F.Y. 2015-16 as against Rs. 2,768.34 Lacs during the FY 2014-15. The increase of 48.36% was due increased volume of operations during the year.

Changes in inventories

A Change in inventory is Rs. (20.80) Lacs during the F.Y. 2015-16 as against Rs. (87.18) Lacs during the FY 2014-15. The decrease of 76.14 % was due to better inventory management by our Company.

Employee Benefits Expenses

The employee benefit expense comprises of salaries, allowances, and other benefits to the employees. Our Company has incurred Rs. 346.50 Lacs as employee benefit expenses during the FY 2015-16 as compared to Rs. 237.00 Lacs during the FY 2014-15. The increase of 46.20% as compared to previous year is due to increase in employee cost due to revision in salaries and wages during the year.

Finance Costs:

Finance cost for the FY 2015-16 incurred Rs. 165.94 Lacs similar to Rs. 165.94 Lacs of the FY 2014-15 due to better management control.

Depreciation and Amortization Expense

Depreciation for the FY 2015-16 stood at Rs. 105.98 Lacs the same was Rs. 94.64 Lacs for the FY 2014-15. The increase by 11.98% is mainly due to increase in capital expenditure by our Company.

Other Expenses

Our Company has incurred Rs. 586.53 Lacs during the FY 2015-16 on Other Expenses as compared to Rs. 454.74 Lacs during FY 2014-15. The increase of 28.98% is due increase in volume of operations of the Company.

Profit before Tax

The Profit before tax for the FY 2015-16 increased to Rs. 222.06 Lacs from Rs. 60.13 Lacs in FY 2014-15. The increase of 269.28% is due to increase in volume of operations and increased margins due to efforts of management.

Profit after Tax

The Profit after Tax for the FY 2015-16 stood at Rs. 165.48 Lacs as against Rs. 40.40 Lacs for the FY 2014-15. The increase of 309.57% is due to increase in volume of operations and increased margins due to efforts of management.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2015 WITH FISCAL 2014

Income

Revenue from Operations

During the F.Y. 2014-15 the Revenue from Operations of our company increased to Rs. 3,684.46 Lacs as against Rs. 3,449.93 Lacs for the F.Y 2013-14, representing increase of 6.79%. Such increase was in the normal course of business.

**Other Income**

During the F.Y. 2014-15 the Other Income of our company decreased to Rs. 9.46 Lacs as against Rs. 11.96 Lacs for the F.Y. 2013-14, representing decrease by 20.91%. Such decrease was attributed to decrease in non operating income viz. job work income.

Expenditure**Total Expenses**

The Total Expenditure for the F.Y. 2014-15 increased to Rs. 3,633.50 Lacs from Rs. 3,417.19 Lacs during the F.Y. 2013-14. The increase of 6.33% is in line with scale of operations of the Company.

Raw Material Consumed

Our Company has incurred Rs. 2,768.34 Lacs as cost of raw material consumed during the F.Y. 2014-15 as against Rs. 2,594.26 Lacs during the FY 2013-14. The increase of 6.71% is in line with increase in scale of operations of the Company.

Changes in Inventories

Change in inventory is Rs. (87.18) Lacs during the F.Y. 2014-15 as against Rs. (43.34) Lacs during the FY 2013-14. The increase of 101.16 % was due to increase in holding levels of inventories.

Employee Benefits Expenses

The employee benefit expense comprises of salaries, allowances, and other benefits to the employees. Our Company has incurred Rs. 237.00 Lacs as employee benefit expenses during the FY 2014-15 as compared to Rs. 120.25 Lacs during the FY 2013-14. The increase of 97.09% as compared to previous year is due to increase in employee cost due appointment of new marketing staff and revision of salaries and wages to existing manpower.

Finance Costs

Finance cost for the FY 2014-15 increased to Rs. 165.94 Lacs as against Rs. 150.82 Lacs of the FY 2013-14. The increase of 10.02 % is mainly due to increase in borrowings.

Depreciation and Amortization Expenses

Depreciation for the FY 2014-15 stood at Rs. 94.64 Lacs the same was Rs. 305.12 Lacs for the FY 2013-14. The decrease by 68.98% is mainly due to effect of additional depreciation during the FY 2013-14 in compliance of provisions of the Companies Act, 2013 and the same was regularised during the FY 2014-15.

Other Expenses

Our Company has incurred Rs. 454.74 Lacs during the FY 2014-15 on Other Expenses as compared to Rs. 290.08 Lacs during FY 2013-14. The increase of 56.77% is mainly due to increase in marketing, travelling expenses

Profit before Tax

The Profit before tax for the FY 2014-15 increased to Rs. 60.13 Lacs from Rs. 44.70 Lacs in FY 2013-14. The increase of 34.54% is mainly due to increased margins with the effort of better management control.

Profit after Tax

The Profit after tax for the FY 2014-15 increased to Rs. 40.40 Lacs from Rs. 19.29 Lacs in FY 2013-14. The increase of 109.40% is mainly due to increased margins with the effort of better management control.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2014 WITH FISCAL 2013

**Income****Revenue from Operations**

During the F.Y. 2013-14 the Revenue from Operations of our company increased to Rs. 3,449.93 Lacs as against Rs. 1,624.91 Lacs for the F.Y 2012-13, representing increase of 112.31%. Such increase was attributed to increased volumes of sales due to marketing initiatives taken by the Company.

Other Income

During the F.Y. 2013-14 the Other Income of our company increased to Rs.11.96 Lacs as against Rs. 3.73 Lacs for the F.Y. 2012-13, representing increase of 220.91%.The increase is mainly due to increase in job work income of the Company.

Expenditure**Total Expenses**

The Total Expenditure for the F.Y. 2013-14 increased to Rs. 3,417.19 Lacs from Rs. 1,613.62 Lacs during the F.Y. 2012-13. The increase of 111.77% is in line with the overall increase in operations during the FY 2013-14.

Raw Material Consumed

Our Company has incurred Rs. 2,594.26 Lacs as Raw Material Consumed during the F.Y. 2013-14 as against Rs. 1,163.54 Lacs during the FY 2012-13. The increase of 122.96% is due to increase in volume of sales and is in line with increase in scale of operations.

Changes in inventory

Changes in inventory is Rs. (43.34) Lacs during the F.Y. 2013-14 as against Rs. (32.02) Lacs during the FY 2012-13 The increase of 35.36 % was due to increase in the holding levels of inventories by the Company.

Employee Benefits Expenses

Our Company has incurred Rs. 120.25 Lacs during the FY 2013-14 on Employee Benefit Expenses as compared to Rs. 57.63 Lacs during the FY 2012-13. The increase of 108.65% as compared to FY 2012-13 is due to increase in Manpower in the Company and increase in salaries and wages.

Finance Costs

Finance cost for the FY 2013-14 decreased to Rs. 150.82 Lacs as against Rs. 183.30 Lacs of the FY 2012-13. The decrease of 17.72 % is due to decrease in borrowings.

Depreciation and Amortization Expenses

Depreciation for the FY 2013-14 stood at Rs. 305.12 Lacs for the FY 2012-13 the same was Rs. 67.14 Lacs. The increase by 354.46% is attributed to effect of additional depreciation during the FY 2013-14 due to change in method of depreciation from SLM to WDV method in compliance of provisions of the Companies Act, 2013.

Other Expenses

Our Company has incurred Rs. 290.80 Lacs on Other Expenses during the FY 2013-14 as compared to Rs. 174.02 Lacs during FY 2012-13. The increase of 66.69% is mainly due to overall increase in the pricing trend.

Profit before Tax

The Profit before tax for the FY 2013-14 increased to Rs. 44.70 Lacs from Rs. 15.02 Lacs in FY 2012-13. The increase of 197.55 % is due to overall increased operations and better management control.



Profit after Tax

The Profit after Tax for the FY 2013-14 stood at Rs. 15.86 Lacs as against loss of Rs. 6.21 Lacs for the FY 2012-13 representing increase of 410.67% due to overall increased operations and better management control.

INFORMATION REQUIRED AS PER ITEM (2) (IX) (E) (5) OF PART A OF SCHEDULE VIII TO THE SEBI REGULATIONS:

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

- ***Unusual or infrequent events or transactions***

There are no unusual or infrequent events or transactions that have significantly affected operations of the Company.

- ***Significant economic changes that materially affected or are likely to affect income from continuing operations***

There are no significant economic changes that materially affected Company's operations or are likely to affect income from continuing operations. Any slowdown in the growth of Indian economy or future volatility in global commodity prices, could affect the business, including the future financial performance, shareholders' funds and ability to implement strategy and the price of the Equity Shares.

- ***Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.***

Apart from the Risks disclosed under the section titled "Risk Factors" no known trends or uncertainties are envisaged or are expected to have a material adverse impact on sales, revenue or income from continuing operations to Company's knowledge.

- ***Future changes in relationship between costs and revenues in case of events such as future increase in labor or material cost or prices that will cause material change.***

Other than as described in the sections entitled "Risk Factors" and this "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 11 and 137, respectively, of this Draft Prospectus, to our knowledge there are no known factors which will have a material adverse impact on our operations or finances.

- ***The extent to which material increases in net sales / revenue is due to increase in sales volume, introduction of new products or services or increased sales prices***

The increase in revenues is by and large linked to increases in volume of all the activities carried out by the Company.

- ***Total turnover of each major industry segment in which the Company operated***

The Company operates in single segment in context of accounting standards 17 on Segment Reporting issued by ICAI.

- ***Status of any publicly announced New Products or Business Segment***

The Company has not announced any new products or business segment.

- ***The extent to which our Company's business is seasonal***

Our business is not seasonal in nature.

- ***Competitive conditions***

The pharmaceuticals market is highly competitive and fragmented, and we face competition from various domestic and international manufacturers. Moreover, as we seek to diversify into new geographical areas globally, we may face competition from existing players that have presence in respective markets. In order to counter the competition, our focus would be to provide products that would be in consonance with technical and quality



requirements of our customer as well as by trying to offer a competitive pricing model without compromise on the quality.

- ***Any significant dependence on a single or few suppliers or customers***

We are not under threat of dependence from any single supplier or customer.

Details of material developments after the date of last balance sheet i.e. September 30, 2016

No circumstances have arisen since the date of last financial statement until the date of filing this Draft Prospectus, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months. There is no subsequent development after the date of the Auditor's Report, which will have a material impact on the reserves, profits, earnings per share and book value of the Equity Shares of the Company.



SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated in this section, (i) there are no winding up petitions, outstanding litigations, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, show cause notices or legal notices pending against our Company or against any other company whose outcome could have a materially adverse effect on the business, operations, cash flows or financial position of our Company, and (ii) there are no defaults including non-payment or overdue of statutory dues, overdues to banks or financial institutions, defaults against banks or financial institutions or rollover or rescheduling of loans, defaults in creation of full security as per the terms of issue/other liabilities, 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 (1) of Part I of Schedule XIII of the Companies Act, 1956 and under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company except as stated below, and (iii) no disciplinary action has been taken by SEBI or any stock exchange against our Company, Directors or Promoters (iv) there are no past cases in which penalties were imposed by the authorities concerned on our Company, Promoters, Group Companies and Directors; and (v) no disciplinary action has been taken by SEBI or any stock exchange against our Company, Directors, Promoters and Group Companies.

I. LITIGATION INVOLVING OUR COMPANY

A. Litigation against our Company

1. Litigation involving Criminal Laws

- i. M/s SterChem (“**Complainant**”) has filed a Complaint bearing No. 789/15 before the Court of Sh. Loveleen, MM-02, Court No. 4, Main Building, Patiala House Court, New Delhi under Section 138 of the Negotiable Instruments Act, 1881 alleging dishonour of six cheques (bearing Nos. 089289 dated 15.04.2015 for a sum of Rs. 15,00,000/-, 089290 dated 17.04.2015 for a sum of Rs. 10,00,000/-, 089291 dated 18th April, 2015 for a sum of Rs. 10,00,000/-, 089292 dated 25.04.2015 for a sum of Rs. 10,00,000/-, 089293 dated 26.04.2015 for a sum of Rs. 10,00,000/-, 089294 dated 27.04.2015 for a sum of Rs. 10,00,000/- aggregating to Rs. 65,00,000/-) against the Company. The Hon’ble Court has issued summons in the said Complaint and the matter is currently pending.
- ii. M/s Pravin Pharma (“**Complainant**”) has filed a Complaint bearing C.C. No. 5000335/SS/2015 before the Court of Ld. Metropolitan Magistrate, 50th Court, Vikhroli, Mumbai under Section 138 read with section 142 of the Negotiable Instruments Act, 1881 alleging dishonour of four cheques (bearing Nos. 007871 dated 27.10.2015 for a sum of Rs. 10,52,130/-, 007872 dated 24.11.2015 for a sum of Rs. 4,06,731/-, 008014 dated 01.12.2015 for a sum of Rs. 1,60,788/- and 008247 dated 28.12.2015 for a sum of Rs. 3,72,725/-) against M/s A.K. Biotech Pvt. Ltd. & Ors. including our Company along with our Directors. The Hon’ble Court has issued summons in the said Complaint and the matter is currently pending.
- iii. M/s Covalent Laboratories (Pvt.) Ltd. (“**Complainant**”) has filed a Complaint bearing No. CrI. M.P. No. 1415 of 2016 before the XIV Addl. Chief Metropolitan Magistrate at Nampally, Hyderabad under section 138 of the Negotiable Instruments Act, 1881 alleging dishonour of one cheque (bearing Nos. 691602 dated 22.09.2015 for a sum of Rs. 21,51,462/-) against our Company. The Hon’ble Court has issued summons in the said Complaint and the matter is currently pending.
- iv. M/s Indus Biotech India (“**Complainant**”) has filed a Complaint bearing No. 295 of 2016 before the court of Jr. Division/JM1C Panipat, Punjab under section 138 of the Negotiable Instruments Act, 1881 alleging dishonour of two cheques (bearing No.007757 dated 20.08.2015 for a sum of Rs. 3,61,449/- and No. 911153 dated 10.09.2015 for a sum of Rs. 4,81,595/-) against our Company. The Hon’ble Court has issued summons in the said Complaint and the matter is currently pending.

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities



| Sr. No. | Type of Direct Tax | No. of cases | Amount in dispute/demanded * (in Rs.) |
|---------|--------------------|--------------|---------------------------------------|
| 1. | Income Tax | 2 | 9,87,450/- |

*To the extent quantifiable

a) Notice dated June 16, 2011 issued to the Company for the Assessment Year 2010-11

A demand notice dated June 16, 2011 for an amount of Rs. 9,49,820/- (Nine Lakhs Forty Nine Thousand Eight Hundred and Twenty only) was issued by the Assessing Officer to the Company under Section 143 (1) of the Income Tax Act, 1961 with respect to the return of income filed by the Company for the assessment year 2010-11. Thereafter, no further steps have been taken and the matter is currently pending.

b) Notice dated June 30, 2016 issued to the Company for the Assessment Year 2015-16

A demand notice dated June 30, 2016 for an amount of Rs. 37,630/- (Thirty Seven Thousand Six Hundred Thirty only) was issued by the Assessing Officer to the Company under Section 143 (1) of the Income Tax Act, 1961 with respect to the return of income filed by the Company for the assessment year 2015-16. Thereafter, no further steps have been taken and the matter is currently pending.

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

B. Litigation filed by our Company

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

II. LITIGATION RELATING TO OUR DIRECTORS

A. Litigation against our Directors

1. Litigation Involving Criminal Laws

Except as disclosed in the Part I(A)(1) relating to matters involving Mr. Rajesh Gupta and Ms. Saruchi Gupta Directors of the Company, there are no other litigations involving criminal laws against the Directors of the Company.

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL



3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

| Sr. No. | Type of Direct Tax | No. of cases | Amount in dispute/demanded * (in Rs.) |
|---------|--------------------|--------------|---------------------------------------|
| 1. | Income Tax | 5 | 23,34,630/- |

*To the extent quantifiable

a) Notice dated March 31, 2010 issued to Mr. Rajesh Gupta for the Assessment Year 2008-09

A demand notice dated March 31, 2010 for an amount of Rs. 9,50,396/- (Rupees Nine Lakhs Fifty Thousand Three Hundred and Ninety Six only) was issued by the Assessing Officer to Mr. Rajesh Gupta under Section 245 [under section code 143(3)] of the Income Tax Act, 1961 with respect to furnishing incomplete/inaccurate return of income filed by him for the assessment year 2008-09. Further, a demand notice dated February 03, 2012 for an amount of Rs. 6,56,890/- (Rupees Six Lakhs Fifty Six Thousand Eight Hundred and Ninety only) was issued by the Assessing Officer to Mr. Rajesh Gupta under Section 245 (under section code 154) of the Income Tax Act, 1961 with respect to the return of income for furnishing incomplete/inaccurate return of income filed by him for the assessment year 2008-09. Thereafter, no further steps have been taken and the matter is currently pending.

b) Notice dated November 29, 2013 issued to Mr. Rajesh Gupta for the Assessment Year 2009-10

A demand notice dated November 29, 2013 for an amount of Rs. 5,07,260/- (Rupees Five Lakhs Seven Thousand Two Hundred and Sixty only) was issued by the Assessing Officer to Mr. Rajesh Gupta under Section 245 (under section code 154) of the Income Tax Act, 1961 with respect to the return of income for furnishing incomplete/inaccurate return of income filed by him for the assessment year 2009-10. Thereafter, no further steps have been taken and the matter is currently pending.

c) Notice dated March 14, 2012 issued to Mr. Rajesh Gupta for the Assessment Year 2010-11

A demand notice dated March 14, 2012 for an amount of Rs. 6,54,910/- (Rupees Six Lakhs Fifty Four Thousand Nine Hundred and Ten only) was issued by the Assessing Officer to Mr. Rajesh Gupta under Section 245 (under section code 143(1)a) of the Income Tax Act, 1961 with respect to the return of income not filed by him or for furnishing incomplete/inaccurate return of income filed by him for the assessment year 2010-11. Thereafter, no further steps have been taken and the matter is currently pending.

d) Notice dated March 31, 2015 issued to the Company for the Assessment Year 2012-13

A demand notice dated March 31, 2015 for an amount of Rs. 4,42,430/- (Rupees Four Lakhs Forty Two Thousand Four Hundred and Thirty only) was issued by the Assessing Officer to Mr. Rajesh Gupta under Section 245 (under section code 143(3)) of the Income Tax Act, 1961 with respect to the return of income not filed by him or for furnishing incomplete/inaccurate return of income filed by him for the assessment year 2012-13. Thereafter, an Appeal was preferred against the said order dated March 31, 2015. The Appeal is still pending.

e) Notice dated March 31, 2016 issued to Mr. Rajesh Gupta for the Assessment Year 2013-14

A demand notice dated 31st March, 2016 for an amount of Rs. 73,140/- (Rupees Seventy Three Thousand One Hundred and Forty only) was issued by the Assessing Officer to Mr. Rajesh Gupta under Section 245 (under section code 143(3)) of the Income Tax Act, 1961 with respect to the return of income not filed by him or for furnishing incomplete/inaccurate return of income filed by him for the assessment year 2013-14. Thereafter, no further steps have been taken and the matter is currently pending.

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

B. Litigation filed by our Directors

1. Litigation Involving Criminal Laws

NIL



2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

III. LITIGATION RELATING TO OUR PROMOTERS

A. Litigation against our Promoters

1. Litigation Involving Criminal Laws

Except as disclosed in the Part 1(A)(1) relating to matters involving Mr. Rajesh Gupta and Ms. Saruchi Gupta Promoters of the Company, there are no other litigations involving criminal laws against the Promoters of the Company.

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

Except as disclosed in the Part II(A)(3) relating to matters involving Mr. Rajesh Gupta Promoter of the Company, there are no other litigations involving criminal laws against the Promoters of the Company.

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

B. Litigation filed by our Promoters

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL



(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

IV. LITIGATION INVOLVING OUR GROUP ENTITIES

A. Litigation against our Group Entities

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

B. Litigation filed by our Group Entities

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

**AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS****Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development, 2006**

As of September 30, 2016, the principal amount remaining unpaid is NIL. There are no cases of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development, 2006.

Material Creditors of our Company having an amount outstanding as on September 30, 2016 is more than 82.90 Lakhs, being 5% of the Company's trade payables as per the last audited financial statements of our Company

There are no Material Creditors as per the last audited financial statements i.e. as on September 30, 2016, other than 5 creditors with an outstanding amount of Rs. 980.69 Lakhs.

For further details, please see website at <http://www.anglifesciences.com>

Information provided on the website of our Company is not a part of this draft Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at its own risk.

Outstanding Litigations involving the Company, or involving any other person or company whose outcome may have a material adverse effect on the Company's results of operations or financial position.

Except as described above, as on date of this Prospectus, there are no outstanding litigations involving the Company and its, associates or involving any other person or company whose outcome may have a material adverse effect on the Company's results of operations or financial position.

There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 (five) years.

Except as stated above under the Section titled — "Outstanding Litigation and Material Developments – Litigations against our Directors – Litigation Involving Actions by Statutory/Regulatory Authorities", there are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 (five) years.

Pending proceedings initiated against our Company for economic offences.

There are no pending proceedings initiated against our Company for economic offences.

Inquiries, investigations etc. instituted under the Companies Act, 2013 or any previous company's enactment in the last 5 (five) years against our Company.

There are no inquiries, investigations etc. instituted under the Companies Act or any previous company's enactment in the last 5 (five) years against our Company.

Material Fraud against our Company in the last 5 (five) years

There has been no material fraud committed against our Company in the last 5 (five) years.

Fines imposed or compounding of offences for default

There are no fines imposed or compounding of offences done in the last 5 (five) years immediately preceding the year of this Draft Prospectus for the Company for default or outstanding defaults.

Material developments occurring after last balance sheet date

Except as disclosed elsewhere in this Prospectus, there have been no material developments that have occurred after the Last Balance Sheet Date. For further details, please see the chapter titled "*Management Discussions and Analysis of Financial Conditions and Result of Operations*" beginning on page 137 of this Draft Prospectus.



Except as described above, as on date of this Draft Prospectus, there are no outstanding litigations involving the Company or involving any other person or company whose outcome may have a material adverse effect on the Company's results of operations or financial position.



GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

Approvals for the Issue

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 03, 2016 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Annual General Meeting held on September 30, 2016 authorized the Issue.
3. Approval dated [●] from the BSE for listing of the Equity Shares issued by our Company pursuant to the Issue.
4. The ISIN of our Company is INE236W01016.

Approvals pertaining to Incorporation, name and constitution of our Company

1. Certificate of Incorporation dated June 14, 2006 issued by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh in the name of “ANG Lifesciences India Private Limited”.
2. A fresh Certificate of Incorporation pursuant to the conversion of our Company into a public limited company was issued on March 2, 2010 by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh.
3. A fresh Certificate of Incorporation pursuant to the conversion of our Company into a private limited company was issued on September 22, 2010 by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh.
4. A fresh Certificate of Incorporation pursuant to the conversion of our Company into a public limited company from was issued on May 18, 2016 by the Registrar of Companies, Chandigarh.
5. The Corporate Identification Number (CIN) of our Company is U24230PB2006PLC030341.

General Approvals

| Sr. No. | Approval | Authority | Reference/Registration No. | Date | Expiry Date |
|---------|--|--|----------------------------|------------|-----------------------------|
| 1 | License to work a factory | Himachal Pradesh Government, Labour Department | L&E(FAC)9-2015163-1614 | 01/01/2012 | From 1.1.2017 to 31.12.2017 |
| 2 | License to manufacture for sale or for distribution of drugs other than those specified in Schedules C and C (1) and X under the Drugs and Cosmetics Rules, 1945 at premises situated at Vill: Kishanpura, Nalagarh Road, Baddi, Distt. Solan (H.P.) | State Drugs Controller, Drug Licence and Controlling Authority, District Solan, Himachal Pradesh | MB/08/710 | 18/07/2013 | 13/07/2018 |



| | | | | | |
|----|---|--|----------------|------------|-----------------------|
| 3 | License to manufacture for sale or for distribution of drugs specified in Schedules C and C (1) excluding those specified in schedule X under the Drugs and Cosmetics Rules, 1945 at premises situated at Village Kishanpura, Nalagarh Road, Baddi, Distt. Solan (H.P.) | State Drugs Controller, Drug Licence and Controlling Authority, District Solan, Himachal Pradesh | MB/08/710 | 18/07/2013 | 13/07/2018 |
| 4 | Certificate of compliance with Good Manufacturing Practices issued as per WHO TRS No. 908 of 2003 for manufacture of general category Parenteral (SVP) and cytotoxic category White Bulk Drugs (APIs) | State Drugs Controller, Controlling cum Licensing Authority | MB/08/710 | 21/08/2015 | 20/08/2017 |
| 5 | Good Laboratory Certificate under the provision of Schedule L-1 of the Drugs & Cosmetics Rules, 1945 | Health & Family Welfare Department, Himachal Pradesh | MB/08/710 | 21/08/2015 | 21/08/2017 |
| 6 | Acknowledgement of Entrepreneur Memorandum | Government of Himachal Pradesh, Department of Industries | 020091270671 | 07/03/2011 | NA |
| 7 | ISO 9001-2008 | Care Certification Private Limited | CCPL/QMS/11080 | 06/02/2015 | 05/02/2018 |
| 8 | Certificate of Registration under Employee State Insurance Act, 1948 | Employee State Insurance Corporation | HP 14-4022-34 | 13/10/2009 | Valid until cancelled |
| 9 | Certificate of Registration under Employees Provident Funds & Miscellaneous Provisions Act, 1952 | Employee Provident Fund Organization | HP-8009 | 04/04/2009 | Valid until cancelled |
| 10 | Certificate of Importer-Exporter Code (IEC) | Foreign Trade Development Officer, Ministry of Commerce and Industry, Govt. Of India | 1207000795 | 15/06/2007 | Valid until cancelled |

Tax Related Approvals

| Sr. No. | Approval | Authority | Reference/ Registration No. | Date | Expiry Date |
|---------|------------------------------------|--|-----------------------------|------|-----------------------|
| 1 | Permanent Account Number (PAN) | Income Tax Department, Government of India | AAHCA5390H | - | Valid until cancelled |
| 2 | Tax Deduction Account Number (TAN) | Income Tax Department, Government of India | PTLA12597E | - | Valid until cancelled |



| | | | | | |
|---|---|---|-----------------|------------|-----------------------------------|
| 3 | Central Excise Registration Certificate for manufacture of excisable goods at Kishanpura, Solan, Himachal Pradesh | Assistant Commissioner of Central Excise & Customs, Division Shimla | AAHCA5390HEM001 | 23/07/2013 | Valid until cancelled - |
| 4 | Certificate of registration under the Himachal Pradesh VAT Act 2005, | Assessing Authority, Excise and Taxation Department, Himachal Pradesh | 02030301372 | 26/07/2006 | - |
| 5 | Certificate of Registration as Dealer under the Central Sales Tax Act, 1956 | Assessing Authority, Excise & Taxation Department | 02030301372 | 02/07/2014 | - |
| 6 | Service Tax | Central Board of Excise and Customs | AAHCA5390HSD001 | 06/08/2013 | Till the business is discontinued |

Intellectual Property Rights Approvals

Our Company has applied for registration and trademark approvals for various products under class including classes 5 and 35 granted by the Registrar of Trademarks under the Trademarks Act, 1999 in India, out of which the following 5 have been registered:

| Sr. No. | Trademark | Application No. | Class |
|---------|-----------|-----------------|-------|
| 1 | ACEFTRIA | 2733871 | 5 |
| 2 | ANGDEC | 2967600 | 5 |
| 3 | ANGOPERA | 2733873 | 5 |
| 4 | ANGTHER | 2967601 | 5 |
| 5 | ECOMERO | 2967608 | 5 |



Pending Government Approvals

Our Company has applied for the following government approvals:

| Nature of approval /renewal Description | Issuing authority | Date of acknowledgement of renewal application / Date of renewal application |
|---|---|---|
| Renewal for Consent under Section 21 of Air (Prevention and Control of Pollution) Act, 1981, under Section 25 of Water (Prevention and Control of Pollution) Act, 1974 and Authorization under Sub Rule (3) of Rule 5 of Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008. | Himachal Pradesh State Pollution Control Board. | Application for renewal dated 18 th September, 2015 acknowledged on 5 th October, 2015. |



Our Company has applied for registration of our logo with the Trademarks Registry, which is under process. The details of the same are as mentioned below:

| Sr. No. | Particulars of Mark | Word/Label Mark/ Device Mark | Application No. | Date of filing | Class | Status |
|---------|---|------------------------------|-----------------|----------------|-------|---------|
| 1. |  | Trademark | 3448512 | 04.01.2017 | 35 | Applied |
| 2. |  | Trademark | 3448513 | 01.01.2017 | 5 | Applied |



SECTION VII- OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Our Board of Directors have vide resolution dated September 03, 2016 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013.

The shareholders have authorized the Issue, by passing a Special Resolution at the Annual General Meeting held on September 30, 2016 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

The Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this Issue Document for listing of equity shares on the SME platform of the BSE. BSE is the designated stock exchange.

Prohibition by SEBI

Our Company, our Promoters, our Promoters Group, our Directors or any of the Company's Associates or Group Companies and Companies with which the Directors of the Company are associated as Directors or Promoters, are currently not prohibited from accessing or operating in the capital market under any order or direction passed by SEBI, have not been debarred from accessing or operating in the capital market by the Board (SEBI) or any other regulatory or governmental authority. The listing of any securities of our Company has never been refused by any of the stock exchanges in India.

None of our Promoters, Promoter Group, Directors has ever been part of Promoters, Promoter Group, Directors of any other Company which is debarred from accessing the capital market under any order or directions made by the Board (SEBI) or any other regulatory or governmental authority.

None of our Directors are in any manner associated with the securities market and there has been no action taken by SEBI against our Directors or any entity in which our Directors are involved as promoters or directors.

Prohibition by RBI

Neither our Company, our Promoters, our Promoter Group, our Group Companies, relatives of our Promoters (as defined under the Companies Act), our Directors and Companies with which our Directors are associated as directors or promoters have not been declared as willful defaulters by RBI / government authorities and there are no violations of securities laws committed by them in the past and no proceedings are pending against them.

Association with Securities Market

We confirm that none of our Directors are associated with the securities market in any manner except for trading on day to day basis for the purpose of investment.

Eligibility for the Issue

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Issue is an "Initial Public Issue" in terms of the SEBI (ICDR) Regulations.

This Issue is being made in terms of Regulation 106 (M) (1) of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue face value capital does not exceed ten crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE).

We confirm that:

a) In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this Issue has been hundred percent underwritten and that the Lead Manager to the Issue has underwritten more than 15% of the Total Issue Size. For further details pertaining to said underwriting, please refer to "*General Information – Underwriting*" on page 37 of this Draft Prospectus.

b) 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 days from the date our Company becomes liable to repay it, then our



Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under Section 40 of the Companies Act, 2013.

c) In accordance with Regulation 106(O) of the SEBI (ICDR) Regulations, we have not filed any Draft Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.

d) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issue.

For further details of the arrangement of market making please refer to “General Information – Details of the Market Making Arrangements for this Issue” on page 37 of this Draft Prospectus.

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, as amended from time to time 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 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.

Our Company is also eligible for the Issue in accordance with eligibility norms for Listing on SME Exchange / Platform BSE circular dated April 01, 2015, which states as follows:

BSE ELIGIBILITY NORMS: (<http://www.bsesme.com/static/getlisted/criteriaisting.aspx?expandable=0>)

1. The Company has Net Tangible Assets of at least Rs. 3 Crore as per the latest audited financial results.
2. The Company has Net Worth (excluding revaluation reserve) of at least Rs. 3 Crores as per the latest audited financial results.
3. The Company has Track record of distributable profits in terms of sec. 123 of Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has a period of at least 12 months. Or has a Networth of at least Rs. 5 Crores.
4. The distributable Profit, Net tangible Assets and Net worth of the Company as per the restated financial statements is as set forth below:-

(Rs. In Lacs)

| Particulars | September 30, 2016 | March 31, 2016 | March 31, 2015 | March 31, 2014 |
|------------------------|-----------------------|-------------------|-------------------|-------------------|
| Distributable Profits* | 148.07 | 165.48 | 40.40 | 19.29 |
| Net Tangible Assets** | 1268.79 | 1168.10 | 1118.40 | 1232.30 |
| Net Worth*** | 625.13 | 477.06 | 311.58 | 271.22 |

* “Distributable profits” have been computed in terms section 123 of the Companies Act, 2013, Extraordinary income will not be considered for the purpose of calculating distributable profits.

** ‘Net tangible assets’ are defined as the sum of all net assets (i.e. non current assets, current assets less current liabilities) of our Company, excluding deferred tax asset and intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India.

*** “Net Worth” has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding revaluation reserve and after deducting miscellaneous expenditure, if any

5. Other Requirements

- i. The post-issue paid up capital of the company shall be at least Rs. 3 crore.



As on the date of this Draft Prospectus, the paid up capital of the Company is Rs. 3.68 Crores and the Post Issue Capital of our Company shall be Rs. 5.18 Crores which is in excess of Rs. 3 Crore.

- ii. *The company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.*

Our Company has entered into the tripartite agreements with CDSL and is in the process of entering into tripartite agreements with NSDL along with our Registrar for facilitating trading in dematerialized mode.

- iii. *Companies shall mandatorily have a website.*

Our Company has a live and operational website: www.anglifesciences.com

- iv. *There is no change in the promoters of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.*

There is no change in the promoter/s of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.

6. Certificate from the applicant company / promoting companies stating the following:

- a. *The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).*

Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).

- b. *There is no winding up petition against the company that has been accepted by a court.*

There is no winding up petition against our Company that has been accepted by a court or liquidator has been appointed.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, GUINNESS CORPORATE ADVISORS PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH 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 DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER, GUINNESS CORPORATE 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 LEAD MERCHANT BANKER, GUINNESS CORPORATE ADVISORS PRIVATE LIMITED HAS FURNISHED, A DUE DILIGENCE CERTIFICATE DATED MARCH 21, 2017 WHICH READS AS FOLLOWS:

- 1) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THIS DRAFT 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 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 THIS DRAFT 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 OF THE COMPANIES ACT, 1956, THE COMPANIES ACT, 2013 (TO THE EXTENT NOTIFIED), 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 THIS DRAFT PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
- 4) WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.
- 5) WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR 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 PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING OF THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THIS DRAFT 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 THIS DRAFT 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 ISSUER 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 THE STOCK EXCHANGE MENTIONED IN THIS DRAFT PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION.**
-- NOTED FOR COMPLIANCE
- 10) **WE CERTIFY ALL THE SHARES SHALL BE ISSUED IN DEMATERIALIZED FORM IN COMPLIANCE WITH THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 AND THE DEPOSITORIES ACT, 1996 AND THE REGULATIONS MADE THEREUNDER.**
- 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 THIS DRAFT 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.**
- 14) **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE 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 THIS DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**
- 16) **WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER, AS PER FORMAT SPECIFIED BY THE BOARD THROUGH CIRCULAR.**
- 17) **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS**

THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 34 OR SECTION 36 OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR 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 LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.



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 THIS DRAFT 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 DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER 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
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.
- (5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION (4) 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 THIS DRAFT PROSPECTUS. – NOT APPLICABLE
- (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.

Note: The filing of this Draft Prospectus does not, however, absolve our Company from any liabilities under section 34 and section 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory and / or 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 LM any irregularities or lapses in this Draft Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Chandigarh in terms of Section 26 and 30 of the Companies Act, 2013.


Statement on Price Information of Past Issues handled by Guinness Corporate Advisors Private Limited:

| Sr. No. | Issuer Name | Issue size (Rs. in 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 | Gala Print City Limited | 3.04 | 24 | 16.07. 2015 | 24.45 | 2.50% | 0.00% | -2.92% |
| | | | | | | [-1.33%] | [-5.62%] | [-2.73%] |
| 2 | P. B. Films Limited | 5.00 | 10 | 22.09. 2015 | 9.50 | -12.00% | -20.00% | -50.00% |
| | | | | | | [+6.38%] | [+0.33%] | [-1.43%] |
| 3 | Nintec Systems Limited | 1.88 | 10 | 18.04.2016 | 11.70 | 15.00% | 41.50% | 110.00% |
| | | | | | | [-0.43%] | [+7.48%] | [+7.19%] |
| 4 | Shanti Educational Initiatives Limited | 39.60 | 90 | 14.06. 2016 | 90.00 | 3.33% | 5.56% | 7.22% |
| | | | | | | [+5.86%] | [+7.42%] | [+0.45%] |
| 5 | Kwality Pharmaceuticals Limited | 6.21 | 45 | 18.07. 2016 | 45.00 | 0.11% | 15.11% | 75.11% |
| | | | | | | [+1.15%] | [-0.78%] | [-1.83%] |
| 6 | Riddhi Steel and Tube Limited | 8.89 | 38 | 14.09. 2016 | 37.70 | 2.63% | -3.03% | -12.50% |
| | | | | | | [-2.57%] | [-6.55%] | [+3.77%] |
| 7 | Aditya Consumer Marketing Limited | 6.00 | 15 | 17.10.2016 | 15.70 | 28.33% | 40.67% | NA |
| | | | | | | [-4.45%] | [-0.88%] | |
| 8 | India Green Reality Limited | 10.38 | 30 | 18.10.2016 | 31.50 | -0.33% | 18.67% | NA |
| | | | | | | [-6.25%] | [-2.72%] | |
| 9 | Aditya Vision Ltd. | 5.76 | 15 | 12.12.2016 | 15.50 | 16.67% | 16.67% | NA |
| | | | | | | [+1.45%] | [+11.04%] | |
| 10 | Super Fine Knitters Limited | 4.08 | 12 | 02.02.2017 | 12.60 | 26.00% | NA | NA |
| | | | | | | [+2.15%] | | |

Notes

1. 30th calendar day has been taken as listing date plus 29 calendar days, 90th calendar day has been taken as listing date plus 89 calendar days, 180th calendar day has been taken as listing date plus 179 calendar days
2. Where the 30th day / 90th day / 180th of a particular year falls on a BSE trading holiday, the immediately following trading day has been considered.
3. Where the 30th day / 90th day / 180th of a particular year falls on the day when there is no trade in equity share of the Company, preceding trading day has been considered.
4. BSE SENSEX has been considered as the benchmark index.


Summary Statement on Price Information of Past Issues handled by Guinness Corporate Advisors Private Limited:

| Financial Year | Total no. of IPOs | Total Funds raised (Rs. in cr.) | Nos. of IPOs trading at discount as on 30th calendar day from listing date | | | Nos. of IPOs trading at premium as on 30th calendar day from listing date | | | Nos. of IPOs trading at discount as on 180th calendar day from listing date | | | Nos. of IPOs trading at premium as on 180th calendar day from listing date | | |
|---|-------------------|---------------------------------|--|---------|---------------|---|---------|---------------|---|---------|---------------|--|---------|---------------|
| | | | Over | Between | Less than 25% | Over | Between | Less than 25% | Over | Between | Less than 25% | Over | Between | Less than 25% |
| | | | 50% | 25-50% | | 50% | 25-50% | | 50% | 25-50% | | 50% | 25-50% | |
| April 1, 2016 – date of filing of this Draft Prospectus | 8 | 82.80 | NA | NA | 1 | NA | 2 | 5 | NA | NA | 1 | 2 | NA | 1 |
| 2015-16 | 3 | 9.60 | NA | NA | 1 | NA | NA | 2 | NA | 1 | 2 | NA | NA | NA |
| 2014-15 | 4 | 28.20 | NA | NA | 2 | NA | 1 | 1 | NA | 1 | 1 | NA | NA | 2 |

Track records of past issues handled by the Guinness Corporate Advisors Private Limited

For details regarding the track record of the Guinness Corporate Advisors Private Limited, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to the website of Guinness Corporate Advisors Private Limited at www.guinnessonline.net



Disclaimer Clause of BSE

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

- i. Warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. Warrant that this company's securities will be listed or will continue to be listed on BSE; or
- iii. Take any responsibility for the financial or other soundness of this Company, its Promoters, its management or any scheme or project of this Company;

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

Disclaimer from our Company, Directors and the Lead Manager

Our Company, its Directors, and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information including our website www.anglifesciences.com would be doing so at his or her own risk.

Caution

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MOU for Issue Management entered into among the Lead Manager and our Company dated December 05, 2016, the Underwriting Agreement December 05, 2016 entered into among the Underwriter and our Company and the Market Making Agreement dated December 05, 2016 entered into among the Lead Manager, Market Maker and our Company.

All information shall be made available by us and the Lead Manager 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 centers or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in future engage, in investment banking transactions with our Company, affiliates or associates or third parties, for which they have received, and may in future receive, compensation.

Note:

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters 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 of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters 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 of our Company.

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 majors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in section 4A of the Companies Act, state industrial development corporations, Venture Capital Funds (VCFs) registered with SEBI, Insurance Companies registered with Insurance and Regulatory Development Authority, Provident Funds (subject to applicable law) with minimum corpus



of Rs. 2,500 Lacs and pension funds with minimum corpus of Rs. 2,500 Lacs, and to permitted non residents including FIIs, eligible NRIs, multilateral and bilateral development financial institutions, foreign venture capital investors registered with SEBI and eligible foreign investors provided they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Prospectus does not, however, constitute an offer to sell an invitation to subscribe to or purchase Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform him 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 Amritsar 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. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any 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.

Disclaimer clause under rule 144A of the U.S. Securities Act

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “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 of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers 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 offered or sold, and Applicants 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 and legislations in each jurisdiction, including India.

Filing

This Draft Prospectus is being filed with BSE SME Platform, P. J. Towers, Dalal Street, Fort, Mumbai – 400 001.

This Draft Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the offer document in term of Reg. 106(M) (3). However, a copy of the Prospectus shall be filed with SEBI at the SEBI Northern Regional Office, 5th Floor, Bank of Baroda Bldg, 16 Sansad Marg, New Delhi- 110001.

A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the RoC situated at Corporate Bhawan, Plot No.4 B, Sector 27 B, Madhya Marg, Chandigarh – 160 019.

Listing

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, application shall be made to SME Platform of BSE for obtaining permission for listing of the Equity Shares being offered and sold in the Issue on its SME Platform after the allotment in the Issue.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by BSE, our Company will forthwith repay, all moneys received from the applicants in pursuance of the Prospectus. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

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 BSE mentioned above are taken within 6 (six) Working Days of the Issue Closing Date.



The Company has obtained approval from BSE vide letter dated [.] to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE.

Consents

Consents in writing of: (a) the Directors, the Company Secretary and Compliance Officer, Chief Financial Officer, the Statutory Auditor, Peer Review Auditor; the Banker(s) to the Company; and (b) the Lead Manager, Underwriters, Market Makers, Bankers to the Issue, Registrar to the Issue, Legal Advisor to the Issue to act in their respective capacities, have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

Expert Opinion

Except the report of the Peer Reviewed Auditor on the Restated Financial Statements and report of the Statutory Auditor on the Statement of Tax Benefits included in this Draft Prospectus, our Company has not obtained any other expert opinion.

Public Issue Expenses

The Management estimates an expense of Rs. 37.00 Lacs towards Issue expenses. The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, and payment to other intermediaries such as legal advisor, peer review auditor, Registrar to the Issue etc. and other out of pocket expenses. The estimated Issue expenses are as follows:

| Sr. No. | Particulars | Rs. in Lacs | % of Total Expenses | % of Total Issue Size |
|--------------|--|--------------|---------------------|-----------------------|
| 1. | Issue management fees including fees selling commissions, brokerages, and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses. | 28.00 | 75.67 | 2.33 |
| 2. | Printing & Stationery, Distribution, Postage, etc | 3.00 | 8.11 | 0.25 |
| 3. | Advertisement & Marketing Expenses | 3.00 | 8.11 | 0.25 |
| 4. | Regulatory & Other Expenses | 3.00 | 8.11 | 0.25 |
| Total | | 37.00 | 100.00 | 3.08 |

Fees Payable to Lead Manager to the Issue

The total fees payable to the Lead Manager will be as per the MoU between our Company and Lead Manager, copy of which is available for inspection at the Registered Office of our Company.

Fees Payable to the Registrar to the Issue

The fees payable by the Company to the Registrar to the Issue for processing of application, data entry, printing of CAN/, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Memorandum of Understanding signed with the Company, copy of which is available for inspection at the Registered Office of our Company.

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 allotment advice by registered post/ speed post/ under certificate of posting.

Underwriting Commission, Brokerage and Selling Commission

The underwriting commission and the selling commission for the Issue are as set out in the Underwriting Agreement amongst the Company and Underwriter. The underwriting commission shall be paid as set out in the Underwriting Agreement based on the Issue price and the amount underwritten in the manner mentioned on page 37 of this Draft Prospectus.



Commission and Brokerage paid on previous Issues of our Equity Shares

Since this is the Initial Public Issue of the 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 the Equity Shares since inception of the Company.

Capital Issue during the last three years

Our Company and its Group Companies have not made any capital issue viz. initial public offering, rights issue or composite issue during the last three years.

Previous Public or Rights Issue

There have been no public or rights issue by our Company during the last five years.

Previous Issues of Equity Shares otherwise than for cash

Except as stated in the section titled “Capital Structure” on page 40 of this Draft Prospectus, we have not made any previous issues of shares for consideration otherwise than for cash.

Promise vis-à-vis performance

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.

None of the Group Entities has made public issue of equity shares during the period of ten years immediately preceding the date of filing draft offer document with the BSE.

Outstanding Debentures or Bonds and Redeemable Preference Shares and other Instruments

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Draft Prospectus.

Stock Market Data for our Equity Shares

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

Investor Grievances and Redressal System

The Company has appointed Big Share Services Private Limited as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue, namely, Big Share Services Private Limited, will handle investor’s grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-coordinating with the Registrar to the Issue in attending to the grievances to the investor. The Company assures that the Board of Directors in respect of the complaints, if any, to be received shall adhere to the following schedules:

| Sr. No. | Nature of Complaint | Time Table |
|----------------|---|--|
| 1. | Non receipt of Demat Credit of Shares | Within 7 days of receipt of complaint subject to production of satisfactory evidence |
| 2. | Any other complaint in relation to Public Issue | Within 7 days of receipt of complaint with all relevant details. |



Redressal of investors' grievance is given top priority by the Company. The Committee oversees redressal of complaints of shareholders/investors and other important investor related matters. The Company has adequate arrangements for redressal of investor complaints as follows:

Share transfer/ dematerialization/ rematerialization are handled by professionally managed Registrar and Transfer Agent, appointed by the Company in terms of SEBI's direction for appointment of Common Agency for physical as well as demat shares. The Registrars are constantly monitored and supported by qualified and experienced personnel of the Company.

We have appointed Mr. Chandan Kapoor, as Company Secretary and Compliance Officer and he may be contacted in case of any pre-issue or post-issue problems. He can be contacted at the following address:

Mr. Chandan Kapoor,
Company Secretary & Compliance Officer,
Address: Darbara Complex,
SCO 113, First Floor,
District Shopping Centre B Block,
Ranjit Avenue, Amritsar – 143 001.
Tel: +91 0183-5133455, 5070118;
Email: cs@anglifesciences.com

Investors can contact the Compliance Officer or the Registrar to the Issue or the Lead Manager in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary accounts etc.

Further, our Board has constituted a Stakeholders' Relationship Committee comprising our Directors, which is responsible for redressal of grievances of the security holders of our Company. For more information, see "*Our Management*" on page 87 of this Draft Prospectus.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system "**SCORES**". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in.

Changes in Auditors

Except as stated below, there is no change in the Auditors in the last three years:

| Date | From | To | Reason |
|-------------|--|---|--------------------------|
| 31.07.2015 | BSV Associates, Chartered Accountants, | Ajay K Khanna & Company, Chartered Accountants, | Due to Pre occupation |

Capitalization of reserves or profits during last five (5) years.

Our Company has not capitalized any reserve during last five (5) years.

Revaluation of assets during the last five (5) years

Our Company has not revalued its assets during the last five (5) years.



SECTION VIII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being offered are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009 our Memorandum and Articles of Association, the terms of this Draft Prospectus, the Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Ranking of Equity Shares

The Equity Shares being offered shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment.

For further details, please refer to the section titled “*Main Provisions of the Articles of Association*” on page 217 of this Draft Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association and the provisions of the Listing Agreement executed with the Stock Exchange, and shall be recommended by the Board of Directors and the shareholders at their discretion 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 dividends in cash and as per provisions of the Companies Act 2013.

For further details, please refer to the section titled “*Dividend Policy*” on page 106 of this Draft Prospectus.

Face Value and Issue Price

The Equity Shares having a face value of Rs. 10/- each are being offered in terms of this Draft Prospectus at the price of Rs. 80/- per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled “*Basis for Issue Price*” on page 55 of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right of free transferability; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, terms of Listing Agreements with Stock Exchange and the Memorandum and Articles of Association of the Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please see the section titled “*Main Provisions of Articles of Association*” beginning on page 217 of this Draft Prospectus.

Minimum Application Value; Market Lot and Trading Lot

In terms of section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialized form. In terms of existing SEBI ICDR Regulations, trading in the Equity Shares shall only be in dematerialized form for all investors.



The trading of the Equity Shares will happen in the minimum lot size of 1,600 Equity Shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 1,600 Equity Share subject to a minimum allotment of 1,600 Equity Shares to the successful applicants.

Minimum Number of Allottees

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 collected shall be refunded within 15 days of closure of Issue.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013, the sole or 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 applicants, 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 in accordance with Section 72 of the Companies Act, 2013, 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 the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013, any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- 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.

In case the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Period of Operation of Subscription List of Public Issue

| | |
|------------------------|------------|
| ISSUE OPENS ON | [•] |
| ISSUE CLOSES ON | [•] |

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvment 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 40 of the Companies Act, 2013.



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 Prospectus and shall not be restricted to the minimum subscription level.

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, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lac per application.

Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of 1,600 shares. 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 lot size allowed for trading on the SME platform of BSE.

Restrictions, If any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting.

For a detailed description in respect of restrictions, if any, on transfer and transmission of shares and on their consolidation / splitting, please refer to the section titled “*Main Provisions of the Articles of Association*” on Page no. 217 of this Draft Prospectus.

Option to receive Equity Shares in Dematerialized Form

As per section 29 of Companies Act 2013, allotment of Equity Shares will be made only in dematerialised form.

Migration to Main Board

Our Company may migrate to the main board of BSE from SME platform of BSE on 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 promoters 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), we shall have to apply to BSE for listing our 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 Rs. 10 crores but below Rs. 25 crores, we 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 promoters 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 offered through this Issue are proposed to be listed on the SME Platform of BSE (SME Exchange), wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Maker of the SME Exchange for a minimum period of three years from the date of listing on the SME Platform of BSE. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please refer to “*General Information - Details of the Market Making Arrangement for this Issue*” on page 37 of this Draft Prospectus.

In accordance with the SEBI Circular No.CIR/MRD/DSA/31/2012 dated November 27, 2012; it has decided to make applicable limits on the upper side for the Market Maker during market making process taking into consideration the Issue size in the following manner:

| Issue size | Buy quote exemption threshold (including mandatory initial inventory of 5% of issue size) | Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of issue size) |
|------------|---|---|
|------------|---|---|



| | | |
|--|-----|-----|
| Upto Rs. 20 Crore, (as applicable in our case) | 25% | 24% |
| Rs. 20 Crore to Rs. 50 Crore | 20% | 19% |
| Rs. 50 Crore to Rs. 80 Crore | 15% | 14% |
| Above Rs. 80 Crore | 12% | 11% |

Further, the following shall apply to market makers while managing their inventory during the process of market making:

The exemption from threshold shall not be applicable for the first three months of market making and the market maker shall be required to provide two way quotes during this period irrespective of the level of holding.

Any initial holdings over and above such 5% of issue size would not be counted towards the inventory levels prescribed.

Apart from the above mandatory inventory, only those shares which have been acquired on the platform of the exchange during market making process shall be counted towards the Market Maker's threshold. Threshold limit will take into consideration, the inventory level across market makers

The Market Maker shall give two way quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

New Financial Instruments

The Issuer Company is not issuing any new financial instruments through this Issue.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Amritsar, India.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933 ("**Securities Act**") or any state securities laws in the United States, and may not be offered or sold within the United States (**as defined in Regulation S under the Securities Act**), except pursuant to an exemption from or in a transaction not subject to, registration 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 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.



ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post-issue face value capital does not exceed ten Crores rupees shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such an Issue please refer the section titled “*Terms of the Issue*” and “*Issue Procedure*” on page 172 and 178 of this Draft Prospectus.

Following is the Issue structure:

Public Issue of 15,00,800 Equity Shares of Rs.10/- each for cash at a price of Rs.80/- per Equity Share (including a Share premium of Rs. 70/- per Equity Share) aggregating to Rs. 1200.64 Lacs The Issue comprises reservation of 76,800 Equity Shares for subscription by the designated Market Maker (“the Market Maker Reservation Portion”) and Net Issue to Public of 14,24,000 Equity Shares (“the Net Issue”).

| Particulars of the Issue | Net Issue to Public* | Market Maker Reservation Portion |
|--|--|---|
| Number of Equity Shares available for allocation | 14,24,000 Equity Shares | 76,800 Equity Shares |
| Percentage of Issue Size available for allocation | 94.88% of the Issue size | 5.12% of the Issue size |
| Basis of Allotment | Proportionate subject to minimum allotment of 1,600 Equity Shares and further allotment in multiples of 1,600 Equity Shares each. For further details please refer to the section titled “ <i>Issue Procedure – Basis of Allotment</i> ” on page 210 of this Draft Prospectus. | Firm Allotment |
| Mode of Application | Through ASBA Process Only | Through ASBA Process Only |
| Minimum Application Size | For QIB and NII: Such number of Equity Shares in multiples of 1,600 Equity Shares such that the Application Value exceeds Rs. 2,00,000/- For Retail Individuals: 1,600 Equity Shares | 76,800 Equity Shares |
| Maximum Application Size | For QIB and NII: The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations as applicable. For Retail Individuals: Such number of Equity Shares in multiples of 1,600 Equity Shares such that the Application Value does not exceed Rs. 2,00,000/-. | 76,800 Equity Shares |
| Mode of Allotment | Dematerialized Form only | Dematerialized Form only |
| Trading Lot | 1,600 Equity Shares | 1,600 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009. |
| Terms of Payment | The entire Application Amount will be payable at the time of submission of the Application Form. | |

*As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, as present Issue is a fixed price Issue ‘the Allocation’ in the net Issue to the public category shall be made as follows:



- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to
 - i. Individual applicants other than retail individual investors; and
 - ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

Withdrawal of the Issue

The Company, in consultation with the LM, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

1. The final listing and trading approvals of BSE for listing of Equity Shares offered through this issue on its SME Platform, which the Company shall apply for after Allotment and,
2. The final ROC approval of the Prospectus after it is filed with the ROC.

In case, the Company wishes to withdraw the Issue after Issue opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (One each in English and Hindi) and one in regional newspaper.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Issue Programme

| | |
|---------------------------|------------|
| Issue Opening Date | [●] |
| Issue Closing Date | [●] |

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working day i.e. all trading days of stock exchanges excluding Sunday and bank holidays as per SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.



ISSUE PROCEDURE

All Applicants 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 (the “General Information Document”) included below under section **“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, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Regulations as amended. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations, 2015 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, there have been certain changes in the issue procedure for initial public offerings including making ASBA Process mandatory for all investors, allowing registrar, share transfer agents, collecting depository participants and stock brokers to accept application forms. Further, SEBI, by its circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, reduced the time taken for listing after the closure of an issue to six working days. These changes are applicable for all public issues which open on or after January 1, 2016. We shall make appropriate changes to the **“Issue Procedure”** section and other sections of this Draft Prospectus and the Prospectus prior to filing with RoC.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and the Lead Manager would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Draft Prospectus.

Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.

Part A

Fixed Price Issue Procedure

The Issue is being made under Regulation 106 (M) (1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via Fixed Price Process. Applicants are required to submit their Applications to designated intermediaries. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that according to section 29(1) of Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in dematerialized form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and liable to be rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic application system of the stock exchanges by the Brokers (including sub-brokers) do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants 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 dematerialized segment of the Stock Exchange.

Applicants are required to ensure that the PAN (of the sole/ first Applicant) provided in the Application Form is exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held. In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.



Application Form

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the Lead Manager, SCSBs, the BSE (www.bseindia.com), the terminals of the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors shall apply through ASBA Mode only.

Applicants must provide bank account details and authorisation to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected. Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

| Category | Colour * |
|--|----------|
| Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA) | White |
| Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA) | Blue |

* Excluding electronic Application Forms

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Prospectus. Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015, an investor intending to subscribe to this Issue shall submit a completed application form to any of the following intermediaries (collectively called as "Designated Intermediaries")

| Sr. No. | Designated Intermediaries |
|---------|--|
| 1. | SCSB with whom the bank account is maintained which is to be blocked |
| 2. | Syndicate Member (including sub syndicate member) |
| 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') |
| 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 this Activity) |

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, as a proof of having accepted the application form in physical or electronic mode respectively.

Processing of Applications by Designated Intermediaries

Applications submitted to SCSBs: After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the Stock Exchange and block the necessary funds available in the bank account as specified in the application form to the extent of application money specified.

Applications submitted to other than SCSBs: After accepting the form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format alongwith the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Applicants shall submit the application forms either in physical or electronic form to the SCSBs authorising blocking funds that are available in the bank account specified in the application form used by applicants.



Availability of Prospectus and Application Forms

The Memorandum Form 2A containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered office of our Company, Lead Manager to the Issue, Registrar to the Issue and the collection centres of the Bankers to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE Limited i.e. www.bseindia.com

Who can Apply

Persons eligible to invest under all applicable laws, rules, regulations and guidelines;

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 as natural/legal guardian;
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications 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 Offer;
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. FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB portion;
8. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant's category;
9. FPIs other than Category III foreign portfolio investor;
10. Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
11. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
12. Venture Capital Funds registered with SEBI;
13. Foreign Venture Capital Investors registered with SEBI;
14. Eligible QFIs;
15. Multilateral and Bilateral Development Financial Institutions;
16. State Industrial Development Corporations;
17. 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;



18. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
19. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
20. Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
21. Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
22. 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;
23. Nominated Investor and Market Maker
24. Insurance funds set up and managed by army, navy or air force of the Union of India
25. Any other person eligible to apply in this Issue, under the laws, rules, regulation, guidelines and policies applicable to them and under Indian laws.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

Applications not to be made by:

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

Option to subscribe in the Issue

- a. As per Section 29 of the Companies Act, 2013, allotment of Equity Shares will in dematerialized form only.
- b. The equity shares, on allotment, shall be traded on Stock Exchange in demat segment only.
- c. A single 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.

The information below is given for the benefit of the applicants. Our Company and the Lead Manager do not accept responsibility for the completeness and accuracy of the information stated. Our Company and the Lead Manager is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for does not exceed the limits prescribed under laws or regulations.

Participation by Associates/Affiliates of LM

The LM, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates and affiliates of the LM, if any may subscribe to or purchase Equity Shares in the Issue, in the category as may be applicable to the applicants, where the allotment is on a proportionate basis in such subscription, may be on their own account or behalf of their clients.

Application by Indian Public Including Eligible NRI's Applying on Non-Repatriation

Application must be made only in the names of Individuals, Limited Companies or Statutory Corporations/ Institutions and not in the names of Minors (except through their Legal Guardians), Foreign Nationals, Non Residents (except for those



applying on non-repatriation), Trusts (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families, Partnership firms or their nominees. In case of HUFs application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of securities exceeding the number of securities offered to the public.

In case of Application by Eligible NRIs applying on non-repatriation basis, the payments must be made through Indian Rupee Drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in NRE Accounts or FCNR Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance or out of a NRO Account of a Non-Resident Applicant applying on a non-repatriation basis.

Applications by Eligible NRIs on Repatriation basis

Application Forms have been made available for eligible NRIs at our registered office.

Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs intending to make payment through freely convertible foreign exchange and applying on a repatriation basis could make payments through Indian Rupee drafts purchased abroad or cheques or bank drafts or by debits to their Non-Resident External ("NRE") Account or Foreign Currency Non-Resident ("FCNR") Accounts, maintained with banks authorised by the RBI to deal in foreign exchange. Eligible NRIs applying on a repatriation basis are advised to use the Application Forms meant for Non-Residents, accompanied by a bank certificate confirming that the payment has been made by debiting to the NRE or FCNR account, as the case may be. Payment for Applications by non-resident Applicant, applying on a repatriation basis will not be accepted out of Foreign Currency Non-Resident ("NRO") accounts.

Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR or NRO Account. Applications by Eligible NRIs for a payment amount of up to Rs. 2,00,000 would be considered under the Retail Portion for the purposes of allocation and Applications for a payment amount of more than Rs. 2,00,000 would be considered under Non-Institutional Portion for the purposes of allocation.

Application by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any 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.

In case of a Mutual Fund, a separate 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 Applications clearly indicate the scheme concerned for which the Application has been made.

Applications by FPIS, FIIS AND QFIS

On January 7, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely 'foreign institutional investors' and 'qualified foreign investors' will be subsumed under a new category namely 'foreign portfolio investors' or 'FPIs'. RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. Accordingly, such FIIs can participate in this Issue in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations. Further, a QFI can continue to buy, sell or otherwise deal in securities until January 6, 2015 or until the QFI obtains a certificate of registration as FPI, whichever is earlier. Such QFIs shall be eligible to participate in this Issue in accordance with Schedule 8 of the FEMA Regulations and are required to apply under the Non-Institutional Applicants category.



In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company. 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. As of now, in accordance with the foreign investment limits applicable to us the total foreign investment including FII investment cannot exceed the sectoral cap applicable to us (being 100% of our total post Issue paid-up capital). Further, the existing individual and aggregate investment limits for QFIs in an Indian company are 5% and 10% of the paid up capital of an Indian 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 a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

Applications by SEBI registered Venture Capital Funds and Foreign Venture Capital Investors

As per the current regulations, the following restrictions are applicable for SEBI Registered Venture Capital Funds and Foreign Venture Capital Investors: The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. Accordingly, whilst the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund, a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital Investors can invest only up to 33.33% of the investible funds by way of subscription to an initial public Issue.

Applications by Limited Liability Partnerships

In case of applications 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, must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

Applications by Insurance Companies

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment Scheme) (5th Amendment) Regulations, 2013, as amended (the "IRDA Investment Regulations"), are broadly set forth below:

- a) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: the least of 15% of the respective fund in case of a life insurer or a general insurer or reinsurer or 15% of investment assets in all companies belonging to the group; and
- c) The industry sector in which the investee company operates: the least of 15% of the respective fund in case of a life insurer or a general insurer or reinsurer or 15% of investment assets.



In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in the infrastructure and housing sectors, i.e. December 26, 2008, providing, among other things, that the exposure of an insurer to an infrastructure company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

Application by Provident Funds/ Pension Funds

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lacs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

Applications by Banking Companies

In case of Applications 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 Application Form, failing which our Company reserves the right to reject any Application without assigning any reason.

The investment limit for banking companies as per the Banking Regulation Act, 1949, as amended, is 30.00% of the paid up share capital of the investee company or 30.00% of the banks' own paid up share capital and reserves, whichever is less (except in certain specified exceptions, such as setting up or investing in a subsidiary, which requires RBI approval). Further, the RBI Master Circular of July 1, 2015 sets forth prudential norms required to be followed for classification, valuation and operation of investment portfolio of banking companies.

Applications by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Application under Power of Attorney

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 25 Crores (subject to applicable law) and pension funds with a minimum corpus of Rs. 25 Crores 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 with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- (a). With respect to applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (b). With respect to applications 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 with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (c). With respect to applications made by provident funds with minimum corpus of Rs. 25 Crores (subject to applicable law) and pension funds with a minimum corpus of Rs. 25 Crores, 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 Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

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 Application Form, subject to such terms and conditions that our Company, the lead manager may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the Allotment Advice / CANs / letters and mailing of the same notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft 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.

Maximum and Minimum Application Size

(a) For Retail Individual Applicants

The Application must be for a minimum of 1,600 Equity Shares and in multiples of 1,600 Equity Share thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs. 2,00,000.

(b) For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 200,000 and in multiples of 1,600 Equity Shares thereafter. An Application cannot be submitted for more than the Issue size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB or Non Institution Applicant cannot withdraw or lower its Application at any stage of Issue.

In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

Information for the Applicants:

1. Our Company and the Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Application Form along with Abridge Prospectus and copies of the Prospectus will be available with the, the Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Application Forms will also be available on the website of the Stock Exchange.
4. Any applicant who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office.



5. Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
8. Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSBs or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be —suspended for credit and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
10. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

Method and Process of Applications

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.
2. The Issue Period shall be for a minimum of 3 Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
5. Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.
6. The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.
7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.



8. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.

9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.

10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

Terms of Payment / Payment Instructions

The entire Issue Price of Rs. 80/- per share is payable on application. All the applicants are required to use ASBA facility to make the payment. In case of allotment of lesser number Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on application to the applicants.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs. The applicants should note that the arrangement with Banker to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

Payment mechanism

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application 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 finalization 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 Application by the ASBA Applicant, as the case may be.

Please note that pursuant to SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 potential investors shall invest in the public issue through ASBA Mode only.

Electronic Registration of Applications

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
 - (i) the applications accepted by them,
 - (ii) the applications uploaded by them
 - (iii) the applications accepted but not uploaded by them or
 - (iv) With respect to applications by Applicants, applications accepted and uploaded by any Designated

Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary



amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts

4. Neither the Lead Managers nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to

- (i) the applications accepted by any Designated Intermediaries
- (ii) the applications uploaded by any Designated Intermediaries or
- (iii) the applications accepted but not uploaded by any Designated Intermediaries

5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.

6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate members, DPs and RTAs shall forward a Schedule along with the Application Forms to Designated Branches of the SCSBs for blocking of funds.

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:

- Name of the Applicant;
- IPO Name;
- Application Form Number;
- Investor Category;
- PAN (of First Applicant, if more than one Applicant);
- DP ID of the demat account of the Applicant;
- Client Identification Number of the demat account of the Applicant;
- Number of Equity Shares Applied for;
- Bank Account details;
- Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
- Bank account number

8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.

9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.

10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

11. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in this Draft Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.

12. The permission given by the Stock Exchange to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness



of any of the contents of this Draft Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.

15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

Allocation of Equity Shares

The Issue is being made through the Fixed Price Process where in 76,800 Equity Shares shall be reserved for Market Maker. 14,24,000 Equity Shares will be allocated on Proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non Retail Applicants.

Under-Subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.

Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.

In terms of SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.

Allotment Status details shall be available on the website of the Registrar to the Issue.

General Instructions

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details (as defined) are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the application amount in the ASBA account maintained with SCSB before submitting the application form under the ASBA process 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); Instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder, ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have requested for and receive a TRS;



- Ensure that you request for a receive a stamped acknowledgement of the Application Form for all your application options;
- All Investors submit their applications through the ASBA process only;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

- Do not Apply for lower than the minimum Application size;
- Do not Apply /revise Application Amount to less than or higher than the Issue Price;
- Do not Apply on another Application Form after you have submitted an Application to the designated intermediaries;
- Do not pay the Application Amount in cash, cheque, by money order or by postal order or by stock invest;
- The payment of the Application Amount in any mode other than blocked amounts in the bank account maintained with an SCSB shall not be accepted;
- Do not send Application Forms by post; instead submit the same to the Designated Intermediaries only;
- Do not Apply for an Application Amount exceeding Rs.200,000 if you are applying under the Retail category;
- Do not fill up the Application Form such that the Equity Shares applied 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 Prospectus;
- Do not submit the General Index Register number instead of the PAN; Do not instruct your respective banks to release the funds blocked in the ASBA Account for any other purpose;
- Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
- Do not submit an Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- Do not Apply if you are not competent to contract under the Indian Contract Act, 1872, as amended (other than minors having valid depository accounts as per Demographic Details provided by the Depositories);
- Do not withdraw your Application or lower the size of your Application (in terms of quantity of the Equity Shares or the Application Amount) at any stage, if you are a QIB or a Non-Institutional Investor;
- Do not submit more than five Application Forms per ASBA Account; The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Other Instructions

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:



- i. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications
- ii. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- iii. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate 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 Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

Permanent Account Number or PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ("PAN") to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. **Applications without this information will be considered incomplete and are liable to be rejected.** It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

Submission of Application Form

All application forms duly completed shall be submitted to the designated intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counterfoil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Right to Reject Applications

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

Procedure and Time Schedule for Transfer of Equity Shares

The Issue will be conducted through the "Fixed Price Method" pursuant to which the designated intermediaries will accept Applications for the Equity Shares during the Issue Period. The Issue Period will commence on [●] and expire on [●]. Following the expiration of the Issue Period, our Company, in consultation with the Lead Manager, will determine the basis of allotment and entitlement to allotment based on the applications received and subject to the confirmation by the Stock Exchange. Successful Applicants will be provided with a confirmation of their allocation for the Equity Shares within a prescribed time. The SEBI (ICDR) Regulations, 2009 require our Company to complete the allotment to successful Applicants within 4 days of the expiration of the Issue Period. The Equity Shares will then be credited and allotted to the investors' demat accounts maintained with the relevant depository participant. Upon approval by the Stock Exchange, the Equity Shares will be listed and trading will commence.

As per the RBI regulations, OCBs are not permitted to participate in the Issue.

There is no reservation for Non Residents, NRIs, FIIs and foreign venture capital funds and all Non Residents, NRI, FII and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.



Impersonation

Attention of the applicants is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- 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 of the said Act.”

Signing of Underwriting Agreement

Vide an Underwriting Agreement dated December 05, 2016 this issue is 100% Underwritten.

Filing of the Prospectus with the ROC

The Company will file a copy of the Prospectus with the RoC in terms of 26 of the Companies Act, 2013.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price.

Issuance of a Confirmation of Allocation Note (“CAN”)

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the Brokers a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants 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 Applicant.

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. Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to 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) credit of shares to the successful Applicants Depository Account will be completed within six Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within five Working Days from the Issue Closing Date.

Disposal of Applications and Application Moneys and Interest in Case of Delay

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.



The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 6 working days of closure of the Issue.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- 1) Allotment of Equity Shares shall be made within 3 (three) working days of the Issue Closing Date;
- 2) Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
- 3) If such money is not repaid within eight days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

Undertakings by our Company

The Company undertakes the following:

- 1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) Working days of Issue Closing Date;
- 3) Allotment will be made or the Application money will be refunded within six Working Days from the Issue Closing Date or such lesser time as specified by SEBI or the application money will be refunded to the Applicants forthwith, failing which interest will be due to be paid to the Applicants at the rate of 15% per annum for the delayed period;
- 4) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Applicant within six Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 5) That funds required for making refunds to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- 6) That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 7) That the certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time;
- 8) That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are unblocked on account of non-listing, under subscription etc. and
- 9) That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;
- 10) Adequate arrangements shall be made to collect all Application Forms from the Applicants.

Utilization of Issue Proceeds

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;



- 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 unutilized, under an appropriate head in our 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 the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested;
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue;
- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received and

Withdrawal of the Issue

Our Company, in consultation with the LM reserves the right not to proceed with the Issue at anytime, including after the Issue Closing Date but before the Board meeting for Allotment, without assigning any reason. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which the Company shall apply for after Allotment.

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper. The Stock Exchanges where the Equity Shares are proposed to be listed shall also be informed promptly.

If the Company withdraws the Issue after the Application Closing Date, the Company will be required to file a fresh Issue Document with the Stock Exchange.

Equity Shares in Dematerialised Form with NSDL or CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- (a) Agreement dated [●] between NSDL, the Company and the Registrar to the Issue;
- (b) Agreement dated December 07, 2016 between CDSL, the Company and the Registrar to the Issue;

The Company's shares bear an **ISIN No. INE 236W01016**

- An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.
- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.

Communications

All future communications in connection with the Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application was submitted and a copy of the acknowledgement slip. Investors can contact the Compliance Officer 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, credit of allotted shares in the respective beneficiary accounts etc.



Part B GID

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 and Companies Act, 1956 to the extent applicable, 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. Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Prospectus before investing in the Issue.

Section 1: Purpose of the General Information Document (GID)

This document is applicable to the public issues undertaken through to the Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, 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”).

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Applicants should carefully read the entire Prospectus and the 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 Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the LM 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 Applicants may refer to the section “Definitions and Abbreviations” on page 2 of this Draft Prospectus.

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) or the Applicable Regulations of Chapter XB of the SEBI ICDR Regulations, 2009, as amended. For details of compliance with the eligibility requirements by the Issuer Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under of chapter XB of the SEBI (ICDR) Regulations, wherein as per,

- Regulation 106M (1): An issuer whose post-issue face value capital does not exceed ten crores rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crores rupees and up to twenty five crores rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue is being made under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulations.

2.2 Other Eligibility Requirements

In addition to the eligibility requirements specified in paragraphs 2.1 , 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 and the Companies Act, 1956 to the extent applicable (the “Companies Act”), The Securities



Contracts (Regulation) Rules, 1957 (the “SCRR”), industry- specific regulations, if any, and other applicable laws for the time being in force.

Following are the eligibility requirements for making an SME IPO under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation:

- (a) In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, Issue has to be 100% underwritten and the LM has to underwrite at least 15% of the total issue size.
- (b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013
- (c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Lead Manager shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- (d) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.
- (e) The Issuer shall have Net Tangible assets of at least Rs. 3 crore as per the latest audited financial results.
- (f) The Net worth (excluding revaluation reserves) of the Issuer shall be at least Rs. 3 crore as per the latest audited financial results.
- (g) The Issuer should have a track record of distributable profits in terms of section 123 of Companies Act, 2013 for two out of immediately preceding three financial years or it should have net worth of at least Rs. 5 Crores.
- (h) The Post-issue paid up capital of the Issuer shall be at least Rs. 3 Crore.
- (i) The Issuer shall mandatorily facilitate trading in demat securities.
- (j) The Issuer should not been referred to Board for Industrial and Financial Reconstruction.
- (k) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.
- (l) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.
- (m) The Company should have a website.
- (n) There has been no change in the promoter(s) of the Company in the one year preceding the date of filing application to BSE for listing on SME segment.

Issuer shall also comply 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 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 this Issue.

Thus Company is eligible for the Issue in accordance with regulation 106M (1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital should not exceed ten crores. Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares

2.3 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 Issue**”) or undertake a Fixed Price Issue (“**Fixed Price Issue**”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in this Draft 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 Issue Opening Date, in case of an IPO and at least one Working Day before the 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.

Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.4 Issue Period

The Issue may be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange(s).

2.5 Migration to Main Board

SME Issuer may migrate to the Main Board of Stock Exchange from the SME Exchange at a later date subject to the following:

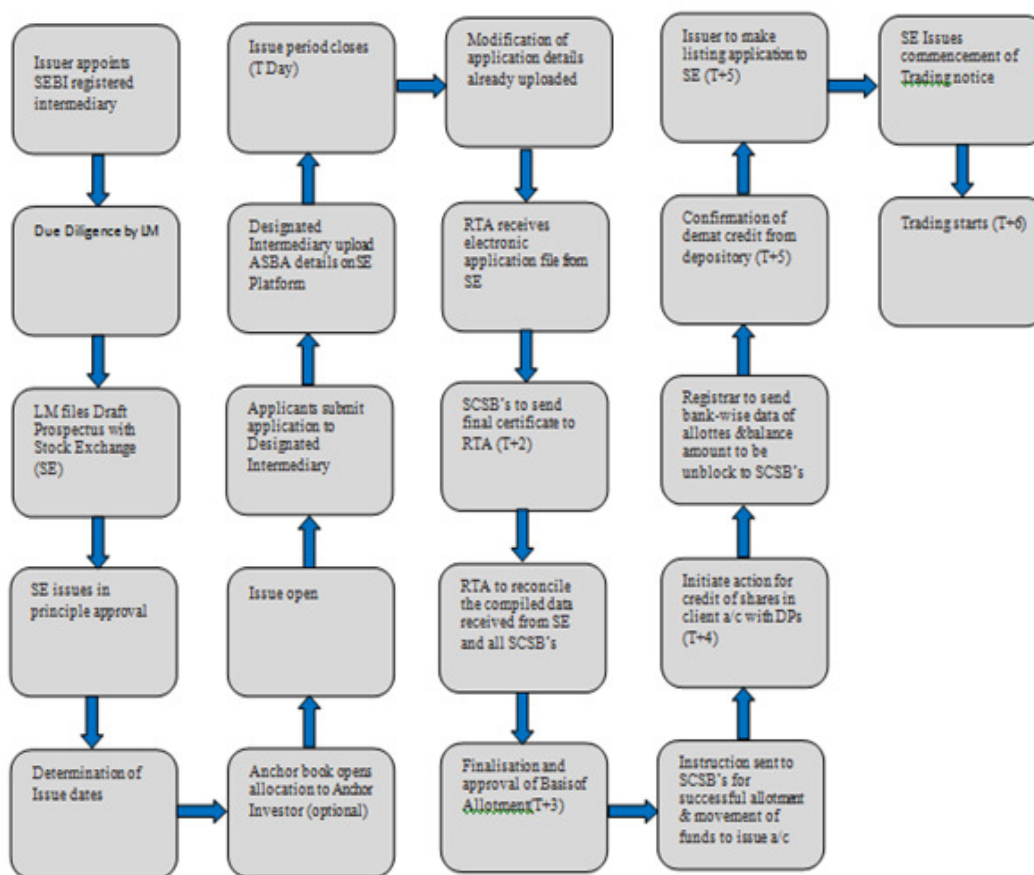
(a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other 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 Stock Exchange 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 the company is more than 10 crores and upto 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.

2.6 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 Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FIIs/FPIs, QFIs 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. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form/Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Applications by HUFs may be considered at par with Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law ;
- Qualified Foreign Investors subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, applying under the QIBs category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non



- Institutional Investors (NIIs) category;
- FPIs other than Category III Foreign Portfolio Investors applying under the QIBs category;
- FPIs which are Category III Foreign Portfolio Investors, applying under the NIIs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- and
- Any other person eligible to apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

Section 4: Applying in the Issue

Fixed Price Issue: Applicants should only use the specified Application Form either bearing the stamp of Collection Bank(s) or SCSBs as available or downloaded from the websites of the Stock Exchange. Application Forms are available with the Branches of Collection Banks or Designated Branches of the SCSBs and at the registered office of the Issuer. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Application Form for various categories of Applicants is as follows:

| Category | Colour of the application form* |
|---|---------------------------------|
| Resident Indian, Eligible NRIs applying on a non repatriation basis | White |
| NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals applying under the QIB), FPIs, QFIs, on a repatriation basis | Blue |

**Excluding Electronic Form*

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

4.1 Instructions for filling the application form (fixed price issue)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and the Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below. The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:



| | | | | | |
|--|--|---|--|---|--|
| COMMON BID CUM APPLICATION FORM | | XYZ LIMITED - INITIAL PUBLIC ISSUE - NR | | For Eligible NRI, FI, FVCI, applying on Restriction Basis | |
| Address : _____ Contact Details : _____ CIN No. _____ | | Address : _____ Contact Details : _____ CIN No. _____ | | Bid cum Application Form No. _____ | |
| TO, THE BOARD OF DIRECTORS XYZ LIMITED | | FIXED PRICE GME ISSUE INE00000000000 | | | |
| TEAR HERE | | | | | |
| LOGO TO, THE BOARD OF DIRECTORS XYZ LIMITED | | FIXED PRICE GME ISSUE INE00000000000 | | | |
| TEAR HERE | | | | | |
| SYNDICATE MEMBER'S STAMP & CODE BROKER/SCSB/DP/RTA STAMP & CODE | | 1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER | | | |
| SUB-BROKER'S / SUB-AGENT'S STAMP & CODE ESCROW BANK/SCSB BRANCH STAMP & CODE | | Mr. / Ms. _____ Address _____ Tel. No (with STD code) / Mobile _____ Email _____ | | | |
| BANK BRANCH SERIAL NO. SCSB SERIAL NO. | | 2. PAN OF SOLE / FIRST BIDDER | | | |
| 3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL | | 6. Investor Status | | | |
| For NSDL, enter 3 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID | | <input type="checkbox"/> Non-Resident Indian (Repatriation Basis) NRI <input type="checkbox"/> Foreign Institutional Investor FI <input type="checkbox"/> Foreign Venture Capital Investor FVCI <input type="checkbox"/> FI Sub Account Corporate (Individual) FI SA <input type="checkbox"/> Others (Please Specify) OTH | | | |
| 4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF") | | 5. CATEGORY | | | |
| Bid Options: No. of Equity Shares Bid (in Figures) (Not more than in multiples of Bid Lot as advertised) Bid Price Retail Discount Net Price Cut-off (Please tick) | | <input type="checkbox"/> Retail Institutional Bidder <input type="checkbox"/> Non-Retail Institutional Bidder <input type="checkbox"/> QIB | | | |
| Option 1 (OR) Option 2 (OR) Option 3 | | <input type="checkbox"/> Retail Institutional Bidder <input type="checkbox"/> Non-Retail Institutional Bidder <input type="checkbox"/> QIB | | | |
| 7. PAYMENT DETAILS | | PAYMENT OPTION : FULL PAYMENT | | | |
| Amount paid (₹ in figures) _____ (₹ in words) _____ | | AS BA Bank A/c No. _____ Bank Name & Branch _____ | | | |
| I/WE HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE SPECIFIC APPLICANT'S AND THE GENERAL INFORMATION DOCUMENT FOR INITIAL PUBLIC ISSUE (GPII) 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 FILING OF THE BID CUM APPLICATION FORM GIVEN OVERLEAF. | | 8A. SIGNATURE OF SOLE / FIRST BIDDER _____ Date : _____ | | | |
| 8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the form | | BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system) _____ | | | |
| 1) 2) 3) | | TEAR HERE | | | |
| LOGO XYZ LIMITED INITIAL PUBLIC ISSUE - NR | | Acknowledgement Slip for Broker/SCSB/DP/RTA | | Bid cum Application Form No. _____ | |
| Amount paid (₹ in figures) _____ Bank & Branch _____ | | Stamp & Signature of SCSB Branch | | Name of Sole / First Bidder _____ | |
| ASBA Bank A/c No. _____ Received from Mr./Ms. _____ Telephone / Mobile _____ Email _____ | | Stamp & Signature of Broker / SCSB / DP / RTA | | Acknowledgement Slip for Bidder | |
| Amount Paid (₹) _____ ASBA Bank A/c No. _____ Bank & Branch _____ | | Bid cum Application Form No. _____ | | TEAR HERE | |



4.1.1 Field Number 1: Name and contact details of the sole/first applicant

- (a) Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- (b) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications (including letters notifying the unblocking of the bank accounts of ASBA Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (c) **Joint Applications:** In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favor of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (d) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (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.”

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

- (e) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective Depository Participant.

4.1.2 Field Number 2: PAN number of sole/first applicant

- (a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim (“PAN Exempted Applicants”). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.
- (c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the



PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

- (d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Applications by Applicants 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: Applicants Depository Account Details

- (a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Application Form is liable to be rejected.**
- (b) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- (c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to an Issue.
- (d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk.

4.1.4 Field Number 4: Application details

- (a) The Issuer mentions Price in this draft Prospectus and in prospectus registered with RoC.
- (b) Minimum And Maximum Application Size

i. For Retail Individual Applicants

The Application must be for a minimum of 1,600 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for 1,600 Equity Shares.

ii. For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 200,000 and in multiples of 1,600 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB and a NII Applicant cannot withdraw or lower its quantity or price in its application once the application is submitted and is required to pay 100% Margin upon submission of Application. In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this draft Prospectus.

- (c) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to different Collection Bank(s) or SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- (d) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:



- i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FPI sub-accounts, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
 - ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- (e) The following applications may not be treated as multiple Applications:
- i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.
 - ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.
 - iii. Applications by Mutual Funds, and sub-accounts of FPIs (or FPIs and its subaccounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.1.5 Field Number 5: Category of applicants

- i. The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of application, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- ii. An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- iii. The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation, applicant may refer to the Prospectus.

4.1.6 Field Number 6: Investor Status

- (a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Applicants, such as NRIs, FIIs/FPIs and FVCIs may not be allowed to Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- (c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- (d) Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 Field Number 7: Payment Details

- (a) All Applicants are required to make payment of the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full amount in the Application Form and the payment shall be made for Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.
- (b) Please note that, providing bank account details in the space provided in the Application Form is mandatory and Applications that do not contain such details are liable to be rejected.
- (c) QIBs and NIIs shall participate in the said Issue only through ASBA mechanism. In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through ASBA process providing details about the bank account which will be blocked by the SCSBs



for the same.

4.1.7.1 Payment instructions for Applicants

- (a) ASBA Applicants may submit the Application Form either
 - i. in physical mode to the Designated Branch of an SCSB where the Applicants have ASBA Account, or
 - ii. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Application Form or in physical mode to any Designated Intermediary.
- (b) Applicants should specify the Bank Account number in the Application Form. The Application Form submitted by an Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicants shall note that 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 Application Forms can be submitted.
- (f) Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (g) Applicants applying through a Registered Broker, RTA or CDP should note that Application Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in the Application Form, is maintained, has not named at least one branch at that location for the Registered Brokers, RTA or CDP, as the case may be, to deposit Application Forms.

Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.

- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- (l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.1.7.2 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii)



the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Applications, if any, along with reasons for rejection, if any to enable the SCSBs to unblock the respective bank accounts.

- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Applicant to the Public Issue Account and may unblock the excess amount, if any, in the Account.
- (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Amount in the relevant ASBA Account within 6 Working Days of the Issue Closing Date.

4.1.7.3 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.7.4 Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) Applicants applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Applicants may refer to the Prospectus.
- (c) the Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Amount less Discount (if applicable).

Applicant may note that in case the net payment (post Discount) is more than two lakh Rupees, the system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 Field Number 8: Signatures and Other Authorisations

- (a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the ASBA Applicant, then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Amount mentioned in the Application Form.
- (d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

4.1.9 Acknowledgement and future communication

- (a) Applicants should ensure that they receive the acknowledgment duly signed and stamped, designated intermediary as applicable, for submission of the Application Form.
- (b) All communications in connection with Applications made in the Issue should be addressed as under:
 - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Applicants should contact the Registrar to the Issue.
 - ii. In case of Applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
 - iii. In case of Applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.



- iv. In case of queries relating to uploading of Applications by a Registered Broker, the Applicants should contact the relevant Registered Broker
- v. In case of Application submitted to the RTA, the Applicants should contact the RTA.
- vi. In case of Application submitted to the DP, the Applicants should contact the relevant DP.

Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.

(c) The following details (as applicable) should be quoted while making any queries -

- i. full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
- ii. name and address of the Designated Branch, as the case may be, where the application was submitted
- iii. ASBA Account number in which the amount equivalent to the Amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.

4.2 Instructions for filing the revision form

- (a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application 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 their applications till closure of the Issue period or withdraw their applications until finalization of allotment.
- (c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- (d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:



| | | |
|-------------------------------------|--|--|
| COMMON BID REVISION FORM | XYZ LIMITED - INITIAL PUBLIC ISSUE - R | FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS |
| | Address : Contact Details : CIN No : | |
| LOGO | TO, THE BOARD OF DIRECTORS XYZ LIMITED | BOOK BUILT ISSUE ISIN : |
| | | Bid cum Application Form No. |

| | | |
|---------------------------------|---------------------------------|--|
| SYNDICATE MEMBER'S STAMP & CODE | BROKER/SCSB/DP/RTA STAMP & CODE | 1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER |
| | | Mr./Ms. |
| | | Address : Email : |
| | | Tel. No (with STD code) / Mobile : |
| | | 2. PAN OF SOLE / FIRST BIDDER : |
| | | 3. BIDDER'S DEPOSITORY ACCOUNT DETAILS : <input type="checkbox"/> NSDL <input type="checkbox"/> 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 (Bid must be in multiples of Bid Lot as advertised) | | | | | | | | | |
| | (In Figures) | | | | | | | | | |
| | 8 | 7 | 6 | 5 | 4 | 3 | 2 | 1 | | |
| Option 1 | | | | | | | | | | |
| (OR) Option 2 | | | | | | | | | | |
| (OR) Option 3 | | | | | | | | | | |
| 5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off") | | | | | | | | | | |
| Bid Options | No. of Equity Shares Bid (Bid must be in multiples of Bid Lot as advertised) | | | | | | | | | |
| | (In Figures) | | | | | | | | | |
| | 8 | 7 | 6 | 5 | 4 | 3 | 2 | 1 | | |
| Option 1 | | | | | | | | | | |
| (OR) Option 2 | | | | | | | | | | |
| (OR) Option 3 | | | | | | | | | | |

| 6. PAYMENT DETAILS | | PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/> | |
|---------------------------------------|--|--|--|
| Additional Amount Paid (₹ in figures) | | (₹ in words) | |
| ASBA Bank A/c No. | | | |
| Bank Name & Branch | | | |

| | | |
|--------------------------------------|---|---|
| 7A. SIGNATURE OF SOLE / FIRST BIDDER | 7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) | BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system) |
| | I/We authorize the SCSB to do all acts as are necessary to make the Application in the line | |
| | 1) | |
| | 2) | |
| | 3) | |

| | | | |
|----------------------------|---|---|--|
| LOGO | XYZ LIMITED | Acknowledgement Slip for Broker/SCSB/ DP/RTA | Bid cum Application Form No. |
| | BID REVISION FORM - INITIAL PUBLIC ISSUE - R | | |
| DPID / CLID | | | PAN of Sole / First Bidder |
| Additional Amount Paid (₹) | Bank & Branch | Stamp & Signature of SCSB Branch | |
| ASBA Bank A/c No. | | | |
| Received from Mr./Ms. | | | |
| Telephone / Mobile | Email | | |

| XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th></th> <th>Option 1</th> <th>Option 2</th> <th>Option 3</th> </tr> <tr> <td>No. of Equity Shares</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Bid Price</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Additional Amount Paid (₹)</td> <td></td> <td></td> <td></td> </tr> <tr> <td>ASBA Bank A/c No.</td> <td colspan="3"></td> </tr> <tr> <td>Bank & Branch</td> <td colspan="3"></td> </tr> </table> | | Option 1 | Option 2 | Option 3 | No. of Equity Shares | | | | Bid Price | | | | Additional Amount Paid (₹) | | | | ASBA Bank A/c No. | | | | Bank & Branch | | | | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>Stamp & Signature of Broker / SCSB / DP / RTA</td> <td>Name of Sole / First Bidder</td> </tr> <tr> <td></td> <td></td> </tr> <tr> <td colspan="2" style="text-align: center;">Acknowledgement Slip for Bidder</td> </tr> <tr> <td>Bid cum Application Form No.</td> <td></td> </tr> </table> | Stamp & Signature of Broker / SCSB / DP / RTA | Name of Sole / First Bidder | | | Acknowledgement Slip for Bidder | | Bid cum Application Form No. | |
|---|--|----------|----------|----------|----------|----------------------|--|--|--|-----------|--|--|--|----------------------------|--|--|--|-------------------|--|--|--|---------------|--|--|--|---|---|-----------------------------|--|--|--|--|------------------------------|--|
| | Option 1 | Option 2 | Option 3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| No. of Equity Shares | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bid Price | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Additional Amount Paid (₹) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ASBA Bank A/c No. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bank & Branch | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Stamp & Signature of Broker / SCSB / DP / RTA | Name of Sole / First Bidder | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Acknowledgement Slip for Bidder | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bid cum Application Form No. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |



Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 Fields 1, 2 and 3: Name and Contact Details Of Sole/First Applicant, PAN of Sole/First Applicant & Depository Account Details of the Applicant

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 Field 4 & 5: Application Form Revision ‘From’ and ‘To’

- (a) Apart from mentioning the revised number of shares in the Revision Form, the Applicant must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form.
- (b) In case of revision of applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the application amount should exceed Rs. 2,00,000/- due to revision and the application may be considered, subject to eligibility, for allocation under the Non-Institutional Category.

4.2.3 Field 6: Payment Details

- (a) All Applicants are required to make payment of the full application amount along with the Revision Form.
- (b) Applicant may Issue instructions to block the revised amount in the ASBA Account, to Designated Branch through whom such Applicant had placed the original application to enable the relevant SCSB to block the additional application amount, if any.

4.2.4 Field 7: Signatures and Acknowledgements

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 Submission of Application Form/ Revision Form/Application Form

4.3.1 Applicants may submit completed application form / Revision Form in the following manner:-

| Mode of Application | Submission of Application Form |
|---------------------|----------------------------------|
| All Applications | To the Designated intermediaries |

Section 5: Issue Procedure in Fixed Price Issue

5.1 Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue.

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through designated intermediaries.

ASBA Applicants may submit an Application Form either in physical form to the designated intermediaries or in the electronic form to the SCSB, or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only (“ASBA Account”). The Application Form is also made available on the websites of the Stock Exchange at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.



5.2 Grounds of Rejections

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid 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;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 1,600;
- Category not ticked;
- Multiple Applications as defined in this Draft Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash/cheque;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms;
- Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date, unless the extended time is permitted by BSE
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;
- Applications not uploaded on the terminals of the Stock Exchanges;
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form.
- Details of ASBA account not provided in the Application Form
- From one ASBA account, more than five applications are made by applicant.

Applicants Should Note that in Case the PAN, the DP ID and client ID mentioned in the application form and entered into the electronic application system of the stock exchanges do not match with PAN, the DP ID and client ID available in the depository database, the application form is liable to be rejected.

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of the GID.



Section 6: Issue Procedure in Book Built Issue

This being Fixed Price Issue, this section is not applicable for this Issue.

Section 7: Allotment procedure and Basis of Allotment

7.1 Basis of Allotment

Allotment will be made in consultation with the BSE (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 over subscription ratio (number of Applicants in the category x number of Shares applied for).
- (b) The number of Shares to be allocated to the successful Applicants 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 applications where the proportionate allotment works out to less than 1,600 equity shares the allotment will be made as follows:
 - i. Each successful Applicant shall be allotted 1,600 equity shares; and
 - ii. The successful Applicants out of the total applicants for that category shall be determined by the withdrawal 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 (2) above.
- (d) If the proportionate allotment to an Applicant works out to a number that is not a multiple of 1,600 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 1,600 equity shares subject to a minimum allotment of 1,600 equity shares.
- (e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Applicants 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 Applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 1,600 Equity Shares, results in the actual allotment being higher than the shares offered, 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 draft Prospectus.
- (f) The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Applicants as described below:
 - i. As per Regulation 43 (4) of SEBI (ICDR), 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 applicants 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 applicants 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 BSE.

The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to 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 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. Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Applicants Depository Account will be completed within five Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within five Working Days of the Issue Closing Date.

Section 8: Interest and Unblocking /Refund

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 six Working Days of the 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 Six Working Days of the Issue Closing Date.

8.2 Grounds for Unblocking/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. The Stock Exchange from where such permission is sought are disclosed in this Draft Prospectus. The Designated Stock Exchange may be as disclosed in this Draft 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 Applicants in pursuance of the 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, and as disclosed in the Prospectus.

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 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, if the "stated minimum amount" has not been 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 offer document including devolvement to 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 Allotees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies maybe unblocked.

8.3 Mode of unblocking of funds

Within six Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

8.4 Interest in case of delay in allotment or refund

The Issuer may pay interest at the rate of 15% per annum if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 6 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum if Allotment is not made in accordance with timelines prescribes under applicable law.

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 |
|---|---|
| Allotment/ Allot/ Allotted | The allotment of Equity Shares pursuant to the Issue to successful Applicants |
| Allottee | An Applicant to whom the Equity Shares are Allotted |
| Allotment Advice | Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges |
| Applicant | Any prospective investor who makes a Application pursuant to the terms of the Prospectus and the Application Form. |
| Application | An indication to make an offer during the Issue Period by a prospective investor pursuant to submission of Application Form, to subscribe for or purchase the Equity Shares of the Issuer at a price including all revisions and modifications thereto. |
| Application Amount | The value indicated in Application Form and payable by the Applicant upon submission of the Application, less discounts (if applicable). |
| Application Form | The form in terms of which the Applicant should make an application for Allotment in case of issues |
| Application Supported by Blocked Amount / ASBA) /ASBA | An application, whether physical or electronic, used by Applicants to make an Application authorising the SCSB to block the Application Amount in the specified bank account maintained with such SCSBs Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No.CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all potential investors shall participate in the Issue only through ASBA process providing details about the bank account which will be blocked by the SCSBs. |
| ASBA Account | Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant |
| Banker(s) to the Issue | The bank which is clearing members and registered with SEBI as Banker to the Issue with whom the Public Issue Account(s) may be opened, and as disclosed in the Prospectus and Application Form of the Issuer |
| Basis of Allotment | The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue |
| Business Day | Monday to Saturday (except 2nd and 4th Saturday of a month and public holidays) |



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| CAN/Confirmation of Allotment Note | The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange |
| Client ID | Client Identification Number maintained with one of the Depositories in relation to demat account |
| Companies Act | The Companies Act, 1956 and the Companies Act, 2013 to the extent notified |
| DP | Depository Participant |
| DP ID | Depository Participant's Identification Number |
| Depositories | National Securities Depository Limited and Central Depository Services (India) Limited |
| Demographic Details | Details of the Applicants including the Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details |
| Designated Branches | Such branches of the SCSBs which shall collect the Application Forms, a list of which is available on the website of SEBI at 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 |
| Designated Date | The date on which the amounts blocked by the SCSBs are transferred from the ASBA Accounts to the Public Issue Account following which the board of directors may give delivery instructions for the transfer of the Equity Shares constituting the Issue |
| Designated Stock Exchange | The designated stock exchange as disclosed in the draft Prospectus/Prospectus of the Issuer |
| Discount | Discount to the Issue Price that may be provided to Applicants in accordance with the SEBI ICDR Regulations, 2009. |
| Draft Prospectus | The draft prospectus filed with the Designated Stock Exchange in case of Fixed Price Issues and which may mention a price or a Price Band |
| Employees | Employees of an Issuer as defined under SEBI ICDR Regulations, 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 promoter. For further details Applicant may refer to the draft Prospectus/Prospectus |
| Equity Shares | Equity shares of the Issuer |
| FCNR Account | Foreign Currency Non-Resident Account |
| First Applicant | The Applicant whose name appears first in the Application Form or Revision Form |
| FII(s) | Foreign Institutional Investors as defined under 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 |
| FPI(s) | Foreign portfolio investors, as defined under the FPI Regulations, including FIIs and QFIs, which are deemed to be foreign portfolio investors |
| FPI Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014. |
| FPO | Further public offering |
| Foreign Venture Capital Investors or FVCIs | Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000 |
| IPO | Initial public offering |
| Issue | Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable |
| Issuer/ Company | The Issuer proposing the initial public offering/further public offering as applicable |
| Issue Closing Date | The date after which the Designated Intermediary may not accept any Applications for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Issue Closing Date |
| Issue Opening Date | The date on which the Designated Intermediary may start accepting Applications for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Issue Opening Date |
| Issue Period | The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their application inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. |



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| | Applicants may refer to the Prospectus for the Issue Period |
| Issue Price | The Price at which Equity Shares will be issued and allotted by our Company being Rs. 80/- per Equity Share. |
| Lead Manager(s)/Lead Manager/ LM | The Lead Manager to the Issue as disclosed in the Draft Prospectus/Prospectus and the Application Form of the Issuer. |
| Maximum RII Allottees | The maximum number of RIIs who can be allotted the minimum Lot size. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Lot size. |
| MICR | Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf |
| Mutual Fund | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996 |
| NECS | National Electronic Clearing Service |
| NEFT | National Electronic Fund Transfer |
| NRE Account | Non-Resident External Account |
| NRI | NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the draft Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares |
| NRO Account | Non-Resident Ordinary Account |
| Net Issue | The Issue less Market Maker reservation portion |
| Non-Institutional Investors or NIIs | All Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have applied for Equity Shares for an amount of more than Rs. 200,000 (but not including NRIs other than Eligible NRIs), FPIs which are category III FPIs |
| 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 draft Prospectus/Prospectus and the Application Form |
| Non-Resident | A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs/FPIs registered with SEBI and FVCIs registered with SEBI |
| 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 |
| Other Investors | Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for. |
| PAN | Permanent Account Number allotted under the Income Tax Act, 1961 |
| Prospectus | The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act 2013, containing the Issue Price, the size of the Issue and certain other information |
| Public Issue Account | An account opened with the Banker to the Issue to receive monies from the ASBA Accounts on the Designated Date |
| Qualified Financial Investors or QFIs | <p>Non-Resident investors, other than SEBI registered FIIs/FPIs or sub-accounts or SEBI registered FVCIs, who meet 'know your client' requirements prescribed by SEBI and are resident in a country which is (i) a member of Financial Action Task Force or a member of a group which is a member of Financial Action Task Force; and (ii) a signatory to the International Organisation of Securities Commission's Multilateral Memorandum of Understanding or a signatory of a bilateral memorandum of understanding with SEBI.</p> <p>Provided that such non-resident investor shall not be resident in country which is listed in the public statements issued by Financial Action Task Force from time to time on: (i) jurisdictions having a strategic anti-money laundering/combating the financing of terrorism deficiencies to which counter measures apply; (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the Financial Action Task Force to address the deficiencies</p> |
| QIB Category | The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis |
| Qualified Institutional Buyers or QIBs | As defined under SEBI ICDR Regulations, 2009 |
| RTGS | Real Time Gross Settlement |



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| 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 |
| Registered Broker | Stock Brokers registered with the Stock Exchanges having nationwide terminals |
| Registrar to the Issue/RTI | The Registrar to the Issue as disclosed in the draft Prospectus/Prospectus and Application Form |
| Reserved Category/ Categories | Categories of persons eligible for making application under reservation portion |
| Reservation Portion | The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009 |
| Retail Individual Investors / RIIs | Investors who applies or Applications for a value of not more than Rs. 200,000. |
| Retail Individual Shareholders | Shareholders of a listed Issuer who applies for a value of not more than Rs. 200,000. |
| Retail Category | The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum lot size, subject to availability in RII category and the remaining shares to be allotted on proportionate basis. |
| Revision Form | The form used by the Applicants in an issue to modify the quantity of Equity Shares indicates therein in any of their Application Forms or any previous Revision Form(s) |
| 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 |
| Self Certified Syndicate Bank(s) or SCSB(s) | Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at www.sebi.gov.in and updated from time to time and at such other websites as may be prescribed by SEBI from time to time |
| Stock Exchanges/ SE | The stock exchanges as disclosed in the draft Prospectus/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed |
| Underwriters | The Lead Manager(s) |
| Underwriting Agreement | The agreement amongst the Issuer and the Underwriters |
| Working Day | All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 issued by SEBI. |



RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and 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 the 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 bodies responsible for granting foreign investment approvals are the FIPB and the RBI.

The Government has from time to time 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**”), issued the Consolidated FDI Policy by way of circular no. D/o IPP F. No. 5(1)/2016-FC-1 dated June 7, 2016 (“**FDI Policy**”), which with effect from June 7, 2016, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on June 6, 2016. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment 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.

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, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States.

Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

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 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.



SECTION IX - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Table F not to apply

1. The regulations contained in Table F in the first Schedule to the Companies Act, 2013 shall not apply to this Company, but the regulations for the management of the Company and for the observance of the members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alternation of, or addition to, its regulations by Special Resolution, as prescribed by the said Companies Act, 2013 be such as are contained in these Articles.

2. Interpretation In the interpretation of these Articles,

the following words and expressions shall have the following meanings assigned thereunder, unless repugnant to the subject matter or content thereof;

any reference to the singular shall include the plural and vice-versa;

any references to the masculine, the feminine and the neuter shall include each other.

3. Definitions

- (i) “The Act” or “the said Act”

“The Act” means the Companies Act, 2013 and any statutory modification or re-enactment thereof for the time being in force and Companies Act, 1956 (to the extent not repealed/ not replaced by the Companies Act, 2013), as applicable.

- (ii) “These Articles”

“These Articles” means Articles of Association of the Company or the Articles of Association as altered from time to time by special resolution.

- (iii) “Beneficial Owner”

“Beneficial Owner” shall have the meaning assigned thereto in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.

- (iv) “The Company” or “this Company” “The Company” or “this Company” means ANG Lifesciences India Limited

- (v) “Depository”

“Depository” shall have the meaning assigned thereto by Section 2 (1) (e) of the Depositories Act, 1996.

- (vi) “Depositories Act 1996”

“Depositories Act 1996” includes any statutory modification or re- enactment thereof.

- (vii) “The Board” or the “Board of Directors”

“The Board” or the “Board of Directors” in relation to the Company shall mean the collective body of the Directors of the Company.

- (viii) “The Directors”

“The Directors” shall mean the Directors of the Company appointed to the Board or as the case may be, the Directors assembled at a Board.

- (ix) “The Court”

The Court shall mean Court as defined under the Act.

- (x) “The Chairperson”



“The Chairperson” means the Chairperson of the Board of Directors of the Company for the time being.

(xi) “The Managing Director”

“The Managing Director” includes one or more persons appointed as such or any of such persons or Directors for the time being of the Company who may for the time being be the Managing Director of the Company.

(xii) “The Office”

“The Office” means the Registered Office for the time being of the Company.

(xiii) “Capital”

“Capital” means the share capital for the time being raised or authorised to be raised, for the purpose of the Company.

(xiv) “The Registrar”

“The Registrar” means the Registrar of Companies of the State in which the office of the Company is for the time being situated.

(xv) “Dividend”

“Dividend” includes any interim dividend.

(xvi) “Month”

“Month” means the calendar month.

(xvii) “Rules”

Rules shall mean the Rules made under the Act or any statutory modification or re-enactment thereof for the time being in force.

(xviii) “Seal”

“Seal” means the Common Seal for the time being of the Company.

(xix) “In Writing and Written”

“In Writing and Written” include printing, lithography and other modes of representing or reproducing words in a visible form.

(xx) “Persons”

“Persons” include bodies corporate, corporations and firms as well as individuals.

(xxi) “Securities & Exchange Board of India”

“Securities & Exchange Board of India” or SEBI means the Securities & Exchange Board of India established under Section 3 of the Securities & Exchange Board of India Act, 1992.

(xxii) “Year and Financial Year”

“Year” means the Calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2(41) of the Act.

Expression in the Act to bear same meaning in the Articles

Marginal Notes

Save as aforesaid, any words or expressions defined in the Act shall, except where the subject or context forbids, bear the same meaning in these

The marginal notes hereto shall not affect the construction of these Articles.



COPIES OF MEMORANDUM AND ARTICLES TO BE FURNISHED BY THE COMPANY

4. Pursuant to Section 17 of the Act, Company shall, on being so required by a member, send to him within 7 (seven) days of the requirement and subject to the payment of a fee of Rs. [●] or such other fee as may be specified in the Rules, a copy of each of the following documents, as in force for the time being:
 - (i) The Memorandum;
 - (ii) The Articles, if any;
 - (iii) Every other agreement and every resolution referred to in Section 117(1) of the Act, if and in so far as they have not been embodied in the Memorandum or Articles.

CAPITAL AND SHARES

5. The Authorized Share Capital of the Company shall be as per clause V of the Memorandum of Association of the Company with all rights to the Company to alter the same in any way it thinks fit.
6. The Board may, from time to time, with the sanction of the Company in a general meeting, increase the share capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.
7. The share capital shall be distinguished by its appropriate number provided that nothing in this clause shall apply to the shares held with a depository.

SHARES AT THE DISPOSAL OF THE DIRECTORS

8. Subject to the provisions of Section 62 of the Act and these Articles, the share capital of Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of section 53 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.

FURTHER ISSUE OF SHARES

9. (1) Subject to the provisions of the Act, where at any time the company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered -
 - (a) to persons who at the date of the offer are holders of 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) the offer shall be made by 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;
 - (ii) unless the articles of the company otherwise provide, 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 clause (i) shall contain a statement of this right;
 - (iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the company;
 - (b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be determined by central government; or
 - (c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be determined by central government.



- (2) The notice referred to in sub-clause (i) of clause (1) (a) above shall be despatched 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.
- (3) Nothing in this section 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 loan 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 the terms of such loans containing such an option have been approved by a special resolution passed by the Company in general meeting before the issue of such debentures or raising of such loans.

POWER TO OFFER SHARES / OPTIONS TO ACQUIRE SHARES

10. (i) Without prejudice to the generality of the powers of the Board under any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified there under and any other applicable laws, rules and regulations, at any point of time, offer existing or further shares (consequent to increase of share capital) of the Company, or options to acquire such shares (consequent to increase of share capital) of the Company, or options to acquire such shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount, in case of shares issued as sweat equity shares as per section 54 of the Act or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.

In addition to the powers of the Board under Article 9 (i), the Board may also allot the Shares referred to in Article 9 (i) to any trust, whose principal objects would inter alia include further transferring such Shares to the Company's employees including by way of options, as referred to in Article 9 (i) in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit.

The Board, or any Committee thereof duly authorized for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 9 (i) and (ii) above.

REDEEMABLE PREFERENCE SHARES

11. Subject to the provisions of Section 55 of the Act and these Articles, the Company shall have the power to issue redeemable preference shares liable to be redeemed at the option of the Company and the resolution authorizing such issues shall prescribe the manners, terms and conditions of redemption.

PROVISIONS APPLICABLE IN CASE OF REDEEMABLE PREFERENCE SHARES

12. On the issue of redeemable preference shares under the provisions of Article 10 hereof, the following provisions shall take effect.
- (a) No such shares shall be redeemed except out of the profits of the company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of such redemption;
 - (b) No such shares shall be redeemed unless they are fully paid;
 - (c) where such shares are proposed to be redeemed out of the profits of the company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the Capital Redemption Reserve Account and the provisions of this Act relating to reduction of share capital of a company shall apply as if the Capital Redemption Reserve Account were paid-up share capital of the company.

NEW CAPITAL SAME AS ORIGINAL CAPITAL

13. Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered part of the initial capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments; transfer and transmission, forfeiture, lien, surrender, voting and otherwise.

RESTRICTIONS ON PURCHASE BY COMPANY OR GIVING OF LOANS BY IT FOR PURCHASE OF ITS SHARES



14. (1) The company shall not have power to buy its own shares unless the consequent reduction of share capital is effected in accordance with provisions of the Act at the time of application.

This Article is not to delegate any power which the Company would have if it were omitted.

(2) The company shall not give, whether directly or indirectly and whether by means of a loan, guarantee the provision of security or otherwise, any financial assistance for the purpose of, or in connection with, a purchase or subscription made or to be made, by any person of or for any shares in the company or in its holding company.

(3) Nothing in sub-clause (2) shall apply to –

(a) the company in accordance with any scheme approved by company through special resolution and in accordance with such requirements as may be determined by central government, for the purchase of, or subscription for, fully paid up shares in the company or its holding company, if the purchase of, or the subscription for, the shares held by trustees for the benefit of the employees or such shares held by the employee of the company;

(b) the giving of loans by a company to persons in the employment of the company other than its directors or key managerial personnel, for an amount not exceeding their salary or wages for a period of six months with a view to enabling them to purchase or subscribe for fully paid-up shares in the company or its holding company to be held by them by way of beneficial ownership:

Provided that disclosures in respect of voting rights not exercised directly by the employees in respect of shares to which the scheme relates shall be made in the Board's report in such manner as may be determined by central government.

REDUCTION OF CAPITAL

15. The Company may, subject to confirmation by the Court and the provisions of the Act, as applicable at the time of application from time to time by special resolution, reduce its capital and any capital redemption reserve account or any share premium account in any manner for the time being authorized by law and in particular, capital may be paid off on the footing that it may be called up again or otherwise.

CONSOLIDATION AND DIVISION OF CAPITAL

16. The Company may in general meeting alter the conditions of its Memorandum of Association as follows:

(a) Consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares but no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Court/ Tribunal on an application made in the prescribed manner;

(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 sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;

(c) Cancel shares which at the date of the passing of the resolution in that behalf, 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. The 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.

SALE OF FRACTIONAL SHARES

17. If and whenever as a result of issue of new shares of any consolidation or sub-division of shares any share become held by members in fractions, the Board shall, subject to the provisions of the Act and the Articles and to the directions of the Company in General Meeting, if any, sell those shares which members hold in fractions for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportions the net proceeds of the sale thereof. For the purpose of giving effect to any such sale, the Board may authorise any person to transfer the shares and 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 with reference to the sale.

MODIFICATION OF RIGHTS

18. Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into classes of shares all or any of the rights and privileges attached to each class may subject to the provisions of the Companies Act, 2013 be modified, commuted, affected or abrogated, or dealt with by Agreement between the Company and any person



purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of at least three-fourths in nominal value of the issued shares of the class or is confirmed by a Special Resolution passed at a separate general meeting of the holders of shares of the class

ISSUE OF FURTHER SHARES ON PARI PASSU BASIS

19. The rights conferred upon the holders of shares of any class issued with preferred or other rights, not unless otherwise expressly provided by the terms of the issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

NO ISSUE WITH DISPROPORTIONATE RIGHTS

20. The Company shall not issue any shares (not being preference shares) which carry voting right or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares (not being preference shares).

POWER OF COMPANY TO DEMATERIALIZE AND REMATERIALIZE

- (a) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing shares, debentures and other securities and rematerialize its such shares, debentures and other securities held by it with the Depository and/ or offer its fresh shares and debentures and other securities in a dematerialized form pursuant to the Depositories Act, 1996 and the Rules framed there under, if any.

DEMATERIALIZATION OF SECURITIES

- (b) Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialized form, the Company shall enter into an agreement with the depository to enable the investor to dematerialize the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.

INTIMATION TO DEPOSITORY

- (c) Notwithstanding anything contained in this Article, where securities are dealt with in a Depository, the Company shall intimate the details of allotment of securities to Depository immediately on allotment of such Securities

OPTION FOR INVESTORS

- (d) Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. A beneficial owner of any security can at any time opt out of a Depository, if permitted by law, 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.

THE COMPANY TO RECOGNIZE UNDER DEPOSITORIES ACT, INTEREST IN THE SECURITIES OTHER THAN THAT OF REGISTERED HOLDER

- (e) The Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with Depository in electronic form and the certificates in respect thereof shall be, dematerialized in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act, 1996.

SECURITIES IN DEPOSITORIES AND BENEFICIAL OWNERS

- (f) All Securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.

RIGHTS OF DEPOSITORIES AND BENEFICIAL OWNERS



- (g) (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.
- (ii) Save as otherwise provided in (i) 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.
- (iii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities, which are held by a depository.

DEPOSITORY TO FURNISH INFORMATION

- (h) Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

SHARES AND CERTIFICATES

REGISTER AND INDEX OF MEMBERS

21. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Sections 88 and other applicable provisions of the Act and the Depositories Act, 1996 with details of shares held in physical and dematerialized forms in any media as may be permitted by law including in any form of electronic media.

The Register and Index of beneficial owners maintained by a Depository under Section 11 of the Depositories Act, 1996 shall also be deemed to be the Register and Index of Members for the purpose of this Act. Subject to the provisions of Section 88, the Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or country.

SHARES TO BE NUMBERED PROGRESSIVELY

22. The shares in the capital shall be numbered progressively according to their several denominations and except in the manner hereinbefore mentioned, no share shall be sub-divided.

DIRECTORS MAY ALLOT SHARES FULLY PAID-UP

23. Subject to the provisions of the Act and of these Articles, the Board may allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred, goods or machinery supplied or for services rendered to the company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up shares and if so issued shall be deemed to be fully paid up shares.

APPLICATION OF PREMIUM RECEIVED ON SHARES

24. (1) Where a 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 a "securities premium account" and the provisions of the Act 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.
- (2) Notwithstanding anything contained in clause (1) above, 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 shares;
 - (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.

ACCEPTANCE OF SHARES



25. Subject to the provisions of these Articles, any application signed by or on behalf of an applicant for shares in the Company followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accept any shares and whose name is on the Register of Members shall, for the purposes of these Articles, be a member, provided that no share shall be applied for or allotted to a minor, insolvent or person of unsound mind.

LIABILITY OF MEMBERS

26. Every member or his heir, executors or administrators shall pay to the Company the proportion 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, in accordance with the Company's regulations require or fix for the payment thereof.

LIMITATION OF TIME FOR ISSUE OF CERTIFICATE

27. The Company shall, unless the conditions of issue otherwise provide, within three months after the allotment of any of its shares or debentures and within one month after the application for the transfer of any such shares or debentures, complete and have ready for delivery the certificates of all shares and debentures allotted or transferred.

Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares may be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate to all such holders.

ISSUE OF NEW CERTIFICATE IN PLACE OF DEFACED, LOST OR DESTROYED

28. (1) If any certificate be worn out, defaced mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.20/- for each certificate) as the Directors shall prescribe. Provided that no fees shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulations or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

(2) When a new share certificate is issued in case of sub-division/ replacement/ consolidation, it shall state on the face of it to the effect that it is "Issued in lieu of Share Certificate No. ___ sub-divided/ replaced/ on consolidation."

(3) If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on such terms, if any as to evidence and indemnity and as to the payment of out of pocket expenses incurred by the Company in investigating evidence, as the Board thinks fit.

(4) When a new share certificate is issued in pursuance of clause (3) of this Article, it shall state on the face of it to the effect that it is a duplicate issued in lieu of Share Certificate No. [___]. The word "Duplicate" shall be stamped or punched in bold letters across the face of the share certificate.



(5) Where a new share certificate is issued in pursuance of clause (2) or clause (4) of this Article, particulars of every such share certificate shall be entered in the Register of Members; or renewed and duplicate certificates indicating the names of the persons to whom the certificate is issued, the number of shares, date of issue of the share certificate in lieu of which the new certificate is issued and the necessary changes shall be indicated in the Register of Members by suitable cross reference in the "Remarks" column.

RIGHT TO OBTAIN COPIES OF AND INSPECT TRUST DEED

29. A copy of any Trust Deed for securing any issue of debentures shall be forwarded to the holders of any such debentures or any member of the Company at his request and within seven days of the making thereof on payment not exceeding Rs.10/- (Rupees Ten) per page.

The Trust Deed referred to above shall also be open to inspection by any member or debenture holder of the Company in the same manner, to the same extent, and on payment of these same fees, as if it were the Register of members of the Company.

JOINT ALLOTTEES OF HOLDERS

30. Any two or more joint allottees or holders of shares shall, for the purpose of Articles, be treated as a single member and the certificate for any share, which may be the subject of joint ownership, may be delivered to that one of the joint owners who is first named on the register of members, or to such person and to such address as the joint holders may in writing direct.

COMPANY NOT BOUND TO RECOGNISE ANY INTEREST IN SHARE OTHER THAN THAT OF REGISTERED HOLDER

31. (i) The Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share or (except only as is by these presents, otherwise expressly provided) any right in respect of a share other than an absolute right there to, in accordance with these presents in the person from time to time registered as the holder thereof, but the Board shall be at liberty at its sole discretion to register any share in the joint names of two or more persons or survivors of them.

(ii) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or as by Law required) be bound to recognize any benami trust or equitable, contingent, future, partial or other claim or claims or right to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.

WHO MAY HOLD SHARES

Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or in the name of a person of unsound mind or in the name of any firm or partnership.

32. The Directors shall have the power to offer, issue and allot Equity Shares in or Debentures (whether fully/partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as "the Employees") as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust plan or proposal that may be formulated, created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit.

SWEAT EQUITY

33. Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition.

DECLARATIONS IN RESPECT OF BENEFICIAL INTEREST IN ANY SHARES



34. (1) In pursuance of section 89 of the act, where the name of a person is entered in the register of members of the Company as the holder of shares of the Company but who does not hold the beneficial interest in such shares, such person shall make a declaration (within such time and in such form as may be determined by Central Govt.) to the Company specifying the name and other particulars of the person who holds the beneficial interest in such shares.
- (2) Every person who holds or acquires a beneficial interest in share of the company shall make a declaration to 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 determined by Central Govt.)
- (3) Where any change occurs in the beneficial interest in such shares, the person referred to in clause (1) and the beneficial owner specified in clause (2) shall, within a period of thirty days from the date of such change, make a declaration to the Company in such form and containing such particulars (as may be determined by Central Govt.)
- (4) The Company shall be bound to follow the rules as may be made by the Central Government to provide for the manner of holding and disclosing beneficial interest and beneficial ownership under this section.
- (5) Where any declaration under this article is made to the Company, the Company shall make a note of such declaration in the register concerned and shall file, within thirty days from the date of receipt of declaration by it, a return in the prescribed form with the Registrar in respect of such declaration with such fees or additional fees as may be determined by central government, within the time specified under section 403 of the Act.
- (6) No right in relation to any share in respect of which a declaration is required to be made under this article but not made by the beneficial owner, shall be enforceable by him or by any person claiming through him.
- (7) Nothing in this Article shall be deemed to prejudice the obligation of a company to pay dividend to its members under this Act and the said obligation shall, on such payment, stand discharged.

FUNDS OF COMPANY NOT TO BE APPLIED IN PURCHASE OF SHARES OF THE COMPANY

35. No funds of the Company shall except as provided by Section 67 of the Act, be employed in the purchase of its own shares, unless the consequent reduction of capital is effected and sanctioned in pursuance of provisions of the Companies Act, 2013 as may be applicable at the time of application and these Articles or in giving either 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 in its holding Company.

ISSUE OF SHARES WITHOUT VOTING RIGHTS

36. Subject to the provisions of the Act, the Directors may issue equity shares without voting rights attached to them upon such terms and conditions and with such rights and privileges annexed thereto as through fit and as may be permitted by law.

SECTIONS 45 OF ACT NOT TO APPLY

37. Notwithstanding anything to the contrary contained in the Articles,
- (i) Section 45 of the Act shall not apply to the Shares held with a Depository;

TRUST RECOGNIZED

38. Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof, any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.

REGISTRATION OF CHARGES

39. The Company shall register the particulars of creation, modification or satisfaction of every charge created within or outside India, on its property or assets or any of its undertakings, whether tangible or otherwise, and situated in or outside India, with the Registrar of Companies, in such manner as prescribed in the Act or the Rules made thereunder.



Where a charge is created in India but comprised property outside India, the instrument, creating or purporting to create the charge under Section 77 of the Act or a copy thereof verified in the prescribed manner, may be filed for registration, notwithstanding that further proceedings may be necessary to make the charge valid or effectual according to the law of the country in which the property is situated, as provided by Section 77 of the Act.

Where any charge on any property of the Company required to be registered to be registered under Section 77 of the Act has been so registered, any person acquiring such property or any part thereof or any share or interest therein shall be deemed to have notice of the charge as from the date of such registration.

Any creditors or member of the Company and any other person shall have the right to inspect copies of instruments creating charges and the Company's Register of Charges in accordance with and subject to the provisions of Section 85 of the Act.

UNDERWRITING AND BROKERAGE

COMMISSION MAY BE PAID

40. The Company may, subject to the provisions of Section 40 and other applicable provisions, if any, of the Act any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in or debentures of the Company. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or debentures, or partly in the one way and partly in the other.

BROKERAGE MAY BE PAID

41. The Company may pay a reasonable sum for brokerage on any issue of shares and debentures.

CALLS ON SHARES

DIRECTORS MAY MAKE CALLS

42. The Board of Directors may from time to time by a resolution passed at meeting of the Board (and not by circular resolution) make such call as it may think fit upon the members in respect of all moneys unpaid on the shares held by them respectively (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at a fixed time and each member shall pay the amount of every call so made on him to the persons and at the times and place appointed by the Board of Directors. A call may be made payable by installments.

CALLS ON SHARES OF THE SAME CLASS TO BE MADE ON UNIFORM BASIS

43. Where any calls for further share capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purpose of this Article shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

NOTICE OF CALLS

44. One month notice at least of every call payable otherwise than on allotment shall be given by the Company specifying the time and place of payment and to whom such call shall be paid.

CALLS TO DATE FROM RESOLUTION

45. A call shall be deemed to have been made at the time when the resolution of the Board authorizing such call was passed at a meeting of the Board of Directors and may be made payable by the members on the Register of Members on a subsequent date to be fixed by the Board.

DIRECTORS MAY EXTEND TIME

46. 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 from residence at a distance or other cause, the Board of Directors may deem fairly entitled to such extension save as a matter of grace and favour.

CALL TO CARRY INTEREST AFTER DUE DATE



47. If any member fails to pay a call due from him on the day appointed for payment thereof or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board of Directors, but nothing in this Article shall render it compulsory upon the Board of Directors to demand or recover any interest from any such member.

PROOF ON TRIAL IN SUIT FOR MONEY DUE ON SHARES

48. Subject to the provisions of the Act and these Articles, on the trial or hearing of any action or suit brought by the Company against any member or his representatives for the recovery of any debt or money claimed to be due to the Company 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, appears, entered on the register of members as the holder at or subsequent to the date at which the money sought to be recovered is alleged to have become due, of the shares in respect of which such money is sought to be received, 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 representatives sued in pursuance of these presents and it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum 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 matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST

49. The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding 12% unless the company in general meeting shall otherwise direct, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.
50. A call may be revoked or postponed at the discretion of the Board.
51. The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof. The provisions of these Articles shall mutatis mutandis apply to the calls on debenture of the Company.

FORFEITURE, SURRENDER AND LIEN

IF CALL OR INSTALLMENT NOT PAID, NOTICE MAY BE GIVEN

52. If any member fails to pay any call or installment of a call in respect of any shares on or before the day appointed for the payment of the same, the Board may at any time hereafter during such time as the call or installment remains unpaid, serve a notice on such member or on the person (if any) entitled to the share by transmission 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.

FORM OF NOTICE

53. The notice shall name a day (not being earlier than the expiry of fourteen days from the date of service of the notice) and a place or places on and at which such money, including the call or installment and such interest and expenses as aforesaid is to be paid. The notice shall also state that in the event of non-payment on or before the time and at the place appointed, the shares in respect of which the calls was made or installment was payable, will be liable to be forfeited.

IN DEFAULT TO PAYMENT SHARES TO BE FORFEITED

54. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before all the calls or installments and interest and expenses due in respect thereof are paid, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonus declared in respect of the forfeited shares and not actually paid before forfeiture but provided that there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.



NOTICE OF FORFEITURE

55. When any share shall have been so forfeited, notice of the resolution 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 Members provided however that the failure to give the notice of the shares having been forfeited will not in any way invalidate the forfeiture.

FORFEITED SHARES TO BECOME PROPERTY OF THE COMPANY

56. Any shares so forfeited shall be deemed to be the property of the Company and the Board may sell, re-allot otherwise dispose off the same in such manner as it thinks fit.

POWER TO ANNUL FORFEITURE

57. The Board may, at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed off, annul the forfeiture thereof as a matter of grace and favour but not as of right upon such terms and conditions as it may think fit.

ARREARS TO BE PAID NOTWITHSTANDING FORFEITURE

58. Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company 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 forfeiture until payment at such rate not exceeding fifteen per cent per annum as the Board may determine and the Board may enforce the payment of such moneys or any part thereof if it thinks fit, but shall not be under any obligation so to do.

EFFECT OF FORFEITURE

59. The forfeiture of a share shall involve the extinction of all interest in and also of 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 are by these Articles expressly saved.

PROCEEDS HOW TO BE APPLIED

60. The net proceeds of any such sale shall be applied in or towards satisfaction of the said debts, liabilities or engagements and the residue (if any) paid to such member, his heirs, executors, administrators or assigns.

DECLARATION OF FORFEITURE

61. (a) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager of the Secretary of the Company, and that 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.
- (b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof any may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off.
- (c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.
- (d) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests 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, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment.
- (e) 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 effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale re-allotment or other disposal of the Shares.
62. The declaration as mentioned in Article 59 (a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.



TITLE OF PURCHASER AND ALLOTTEE OF FORFEITED SHARES

63. 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 off and the person to whom such share is sold, re-allotted or disposed off may be registered as the holder of the share. Any such purchaser or allottee shall not (unless by express agreement to the contrary) be liable to pay any calls, amounts, installments, interest and expenses owing to the Company prior to such purchase or allotment, nor shall he be entitled (unless by express agreement to contrary) 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. 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 with reference to the forfeiture, sale, re-allotment or disposal of the share.

PARTIAL PAYMENT NOT TO PRECLUDE FORFEITURE

64. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided.

THE PROVISIONS OF THESE ARTICLES AS TO FORFEITURE TO APPLY IN CASE OF NON-PAYMENT OF ANY SUM

65. The provisions of these Articles as to forfeiture shall apply to 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 Shares or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

BOARD MAY ACCEPT SURRENDER OF SHARES

66. The Board may at any time, subject to the provisions of the Act, accept the surrender of any share from or by any member desirous of surrendering the same on such terms as the Board may think fit.

COMPANY'S LIEN ON SHARE/DEBENTURES

67. The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. The registration of a transfer of shares/debentures shall not operate as a waiver of the Company's lien if any, on such shares/debentures unless otherwise agreed by the Board. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Article.

ENFORCING LIEN BY SALE

68. For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as it thinks fit but no sale shall be made until such time fixed as aforesaid shall have arrived and until notice in writing of the intention to sell, shall have been served on such member his heirs, executors, administrators or other legal representatives as the case may be and default shall have been made by him or them in payment, fulfillment or discharged of such debts, liabilities or engagements for fourteen days after the date of such notice.

APPLICATION OF PROCEEDS OF SALE

69. The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of the said debts, liabilities or engagements and the residue, if any, shall be paid to such member, his heirs, executors, administrators or other legal representatives, as the case may be.

VALIDITY OF SALE IN EXERCISE OF LIEN AND AFTER FORFEITURE



70. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Board of Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the Register of members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

BOARD OF DIRECTORS MAY ISSUE NEW CERTIFICATES

71. Where an shares under the powers in that behalf herein contained are sold by the Board of Directors after forfeiture or for enforcing a lien, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall voluntarily or on demand by the Company, have been previously surrendered to the Company by the defaulting member) stand cancelled and become null and void and of no effect and the Board of Directors may issue a new certificate or certificates for such shares distinguishing it or them in such manner as it may think fit from the certificate or certificates previously issued in respect of the said shares.

SUM PAYABLE ON ALLOTMENT TO BE DEEMED A CALL

72. For the purpose of the provisions of these Articles 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 shares on the day of allotment.

TRANSFER AND TRANSMISSION OF SHARES

REGISTER OF TRANSFER

73. The Company shall keep a book to be called the Register of Transfer and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.

EXECUTION OF TRANSFER

74. Subject to the Provisions of the Act and these Articles, the transfer of shares in or debentures of the Company shall not be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificate if in existence or along with the letter of allotment of the shares or debentures. The transferor shall be deemed to remain the holder of such shares until the name of the transferee is entered in the register in respect thereof. Shares of different classes shall not be included in the same instrument of transfer.

INSTRUMENT OF TRANSFER

75. Every such instrument of transfer shall be signed both by the Transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of members in respect thereof.

FORM OF TRANSFER

76. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and other applicable provisions, if any shall be duly complied with in respect of all transfers of shares and registration thereof.

NO TRANSFER TO A PERSON OF UNSOUND MIND, ETC

77. No transfer shall be made to a minor or a person of unsound mind or any partnership firm.

TRANSFER OF SHARES

78. (i) An application for the registration of a transfer of shares may be made either by the transferor or by the transferee.
- (ii) Where 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.



(iii) For the purpose of clause (2) hereof notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address given in the instruments 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.

DIRECTORS MAY REFUSE TO REGISTER TRANSFER

79. Subject to the Provisions of Section 58 and 59, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be giving reasons for such refusal. Provided that the registration of a transfer shall not be refused person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares. If the Company refuses to register the transfer of any share or transmission of right therein, the Company shall within one month from the date on which instrument of transfer or the intimation of transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be. Nothing in these Articles shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares of the Company has been transmitted by operation of law.

NO FEE ON TRANSFER OR TRANSMISSION

80. No fee shall be charged for registration of transfer, transmission, Probate, Succession, Certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

TRANSFER TO BE LEFT AT OFFICE AS EVIDENCE OF TITLE GIVEN

81. Every instruments of transfer duly executed and stamped shall be left at the office for registration accompanied by the certificate of the shares to be transferred and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.

WHEN TRANSFER TO BE RETAINED

82. All instruments of transfer which are registered shall be retained by the Company but any instrument of transfer which the Board declines to register shall, on demand, be returned to the person depositing the same. The Board may cause to be destroyed all transfer deeds lying with the Company after such period not being less than eight years as it may determine.

DEATH OF ONE OR MORE JOINT HOLDERS OF SHARES

83. In the case of death of any one or more of the persons named in Register of Members as joint shareholders of any share, the survivors shall be the only persons recognized by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a joint shareholder from any liability to the Company on shares held by him jointly with any other person.

TITLE TO SHARES OF DECEASED HOLDER

84. Subject to Article 82 the heir, executor or administrator of a deceased shareholder shall be the only person recognized by the Company as having any title to his shares and the Company shall not be bound to recognize such heir, executor or administrator unless such heir, executor or administrator shall have first obtained probate, letters of administration or succession certificate.

REGISTRATION OF PERSONS ENTITLED TO SHARE OTHERWISE THAN BY TRANSFER

85. Subject to the provisions of Article 91 any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these present, may with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that the sustains the character in respect of which he proposes to act under this Article or of such titles as the Directors shall think sufficient, either be registered himself as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares.



Provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favor of his nominee on instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be free from any liability in respect of such shares.

A transfer of the share or other interest in the Company of a deceased member thereof made by his legal representative shall although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer

CLAIMANT TO BE ENTITLED TO SAME ADVANTAGE

86. The person entitled to a share by reason of the death, lunacy, bankruptcy or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled as if he were registered holder of the shares except that he shall not before being registered as a member in respect of the share, be entitled in respect of it, to exercise any right conferred by membership in relation to the meeting of the Company provided that the Board may at any time give notice requiring any such persons to elect either to be registered himself or to transfer shares and if the notice is not complied within sixty days the Board shall thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the share until the requirements of the notice have been compelled with.

TRANSMISSION OF SHARE

87. Subject to the provisions of the Act and these Articles, any person becoming entitled to a share in consequence of the death, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Board (which it shall not be under any obligation to give) upon producing such evidence as the Board think sufficient, either be registered himself as the holder of the share or elect to have some person nominated by him and approved by the Board registered as such holder, provided nevertheless that if such person shall elect to have his nominee registered, he shall testify the election by executing to his nominee an instrument of transfer of the share in accordance with the provisions herein contained and until he does so he shall not be freed from any liability in respect of the share.

BOARD MAY REFUSE TO TRANSMIT

88. The Board shall have the same right to refuse on legal grounds to register a person entitled by transmission to any share or his nominee, as if he were the transferee named in any ordinary transfer presented for registration.

BOARD MAY REQUIRE EVIDENCE OF TRANSMISSION

89. Every transmission of share shall be verified in such manner as the Board may require and if the Board so desires, be accompanied by such evidence as may be thought necessary and the Company may refuse to register any such transmission until the same be verified on requisite evidence produced or until or unless an indemnity be given to the Company with regard to such registration which the Board at its absolute discretion shall consider sufficient, provided nevertheless, that there shall not be any obligation on the Company or the Board to accept any indemnity.

TRANSFER BY LEGAL REPRESENTATION

90. 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 of instrument of transfer.

CERTIFICATE OF TRANSFER

91. The Certification by the Company of any instrument of transfer of shares in or debentures of the Company, shall be taken as a representation by the Company to any person acting on the faith of the certification that there have been produced to the Company such documents as on the face of them show a prime facie title to the shares or debentures in the transferor named in the instrument of transfer, but not as a representation that the transferor has any title to the shares or debentures

THE COMPANY NOT LIABLE FOR DISREGARD OF A NOTICE PROHIBITING REGISTRATION OF TRANSFER

92. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer or transmission 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 any 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 given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some books of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

NOMINATION

93. (i) Every shareholder or debenture holder of the Company, may at any time, nominate a person to whom his shares or debentures shall vest in the event of his death in such manner as may be determined under the Act.

(ii) Where the shares or debentures of the Company are held by more than one person jointly, joint holders may together nominate a person to whom all the rights in the shares or debentures, as the case may be shall vest in the event of death of all the joint holders in such manner as may be determined under the Act.

(iii) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, where a nomination made in the manner aforesaid purports to confer on any person the right to vest the shares or debentures, the nominee shall, on the death of the shareholders or debenture holder or, as the case may be on the death of the joint holders become entitled to all the rights in such shares or debentures or, as the case may be, all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner as may be determined under the Act.

(iv) Where the nominee is a minor, it shall be lawful for the holder of the shares or debentures, to make the nomination to appoint any person to become entitled to shares in, or debentures of, the Company in the manner prescribed under the Act, in the event of his death, during the minority.

“Option of Nominee”

94. (i) A nominee upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-(a) to register himself as holder of the share or debenture, as the case may be; (b) or to make such transfer of the shares and/or debentures, as the deceased shareholder or debenture holder, as the case may be, could have made.

If the nominee elects to be registered as holder of the shares or debentures, himself, as the case may be, he shall deliver or send to the Company, notice in writing signed by him stating that he so elects and such notice shall be accompanied with death certificate of the deceased shareholder or debenture holder, as the case may be

(ii) A nominee shall be entitled to the share dividend/interest and other advantages to which he would be entitled if he were the registered holder of the shares or debentures, provided that he shall not, before being registered as a member, be entitled to exercise any right conferred by membership in relation to the meeting of the Company.

Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the shares or debentures, and if the notice is not complied within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the shares or debentures, until the requirements of the notice have been complied with.

TRUST NOT RECOGNISED

95. Save as herein otherwise provided, the Company shall be entitled to treat the person whose names appear on the Register of Members/Debentures as the holder of any Shares/Debentures in the records of the Company and/or in the records of the Depository as the absolute owner thereof and accordingly shall not (except as may be ordered by a Court of competent jurisdiction or as may be required by law) be bound to recognize any benami trust or equitable, contingent, future or other claim or interest or partial interest in any such shares/debentures on the part of any other person or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto on the part of any other person whether or not it shall have express or implied notice thereof, but the Board shall be at liberty and at its sole discretion decided to register any share/debenture in the joint names of any two or more persons or the survivor or survivors of them.

TRANSFER OF SECURITIES



96. Nothing contained in Section 56(1) of the Act or these Articles shall apply to a transfer of securities affected by a transferor and transferee both of whom are entered as beneficial owners in the records of depository.

NOTICE OF APPLICATION WHEN TO BE GIVEN

97. Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.

REFUSAL TO REGISTER NOMINEE

98. 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 of his nominee as if he were the transferee named in an ordinary transfer presented for registration.

PERSON ENTITLED MAY RECEIVE DIVIDEND WITHOUT BEING REGISTERED AS A MEMBER

99. A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the Share.

BOARD MAY REFUSE TRANSFER TO MORE THAN THREE PERSONS

100. Subject to the provisions of the Act, the Board may refuse to transfer a share or shares in the joint names of more than three persons.

JOINT HOLDERS

101. If any share stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and/or any other matter connected with the Company, except voting at meeting and the transfer of the share, be deemed the sole holder thereof, but the joint holders of a share be severally as well as jointly, liable for the payment of all installments and calls due in respect of such share and for all incidents thereof subject to the following and other provisions contained in these articles;

JOINT AND SEVERAL LIABILITIES FOR ALL PAYMENTS IN RESPECT OF SHARES

102.(a) The joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.

TITLE OF SURVIVORS

- (b) On the death of any such joint holder, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and 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.

EFFECTUAL RECEIPTS

- (c) Any one of several persons who is registered as joint holder of any share may give effectual receipts for all dividends and payments on account of dividends in respect of such share.

DELIVERY OF CERTIFICATE AND GIVING OF NOTICE TO FIRST NAMED HOLDER

- (d) Only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificates relating to such share or to receive documents (which expression shall be deemed to include all documents referred to in Article 29) from the Company and documents served on or sent to such person shall be deemed service on all the joint holders.

VOTES OF JOINT HOLDERS

- (e) Any one or two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at



any meeting personally or by proxy or by attorney than that one or such persons so present whose name stands first or higher (as the case may be) on the Register of Members in respect of such shares shall alone be entitled to vote in respect thereof but the others of the joint holders shall be entitled to be present at the meeting; provided always that a joint holder present at any meeting personally shall be entitled to vote in preference to a joint holder present by attorney or by proxy although the name of such joint holder present by an attorney or by proxy although the name of such joint holder present by an attorney or proxy stands first or higher (as the case may be) in the register in respect of such shares. Several executors or administrators of a deceased members in whose (deceased member's) sole name any shares stand shall for the purpose of this Article, be deemed joint holders.

CONVERSION OF SHARES INTO STOCK

SHARES MAY BE CONVERTED INTO STOCK

103. The Board may, pursuant to section 61 and with the sanction of the General Meeting, convert any fully paid up share into stock and when any such shares have been converted into stock, the several holders of such stock may henceforth, transfer their respective interests therein or any part of such interest in the same manner as and subject to the same regulations, under which fully paid up share in the capital of the Company may be transferred or as near thereto as circumstances will admit, but the Board may, from time to time if it thinks fit, fix the minimum amount of stock transferable and direct that fractions of a rupee shall not be dealt with, power nevertheless at their discretion to waive such rules in any particular case.

RIGHTS OF STOCK-HOLDERS

104. The stock shall confer on the holders thereof respectively the same rights, privileges and advantages as regards participation in the profits and voting at meetings of the Company and for other purposes as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which such stock was converted, but so that none of such privileges or advantages except participation in the profits of the Company or in the assets of the Company on a winding up, shall be conferred by any such equivalent part of consolidated stock as would not, if existing in shares have conferred such privileges or advantages. No such conversion shall effect or prejudice any preference or other special privileges attached to the shares so converted. Save as aforesaid, all the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to shares. The Company may at any time reconvert any such stock into fully paid up shares of any denomination.

MEETING OF MEMBERS

105. (a) Subject to Section 96 of the Act, the Company shall in each year hold, in addition to any other meetings, a General Meeting as its Annual General Meeting and shall specify the meeting as such in the notices calling it and not more than fifteen months shall elapse between the date of the Annual General Meeting of the Company and that of the next, provided also that the Registrar may, for any special reason, extend the time by a period not exceeding three months within which any annual general meeting shall be held.

(b) Every Annual General Meeting shall be called for at a time during business hours that is between 9 a.m. and 6 p.m. on any day that is not a national holiday and shall be held either at the Registered Office of the Company or at some other place within the city or town or village in which the Registered Office of the Company is situated.

The Company shall in accordance with Section 92 of the Act, within 60 days from the day on which the Annual General Meeting is held, prepare and file with the Registrar an annual return together with the copy of the financial statements, including consolidated financial statement, if any, along with all the documents which are required to be or attached to such financial statements under this act, duly adopted at the Annual General Meeting of the company. A copy of the financial statements adopted at the Annual General Meeting shall be filed within 30 days of the annual general meeting in accordance with Section 137 of the Act.

DISTINCTION BETWEEN ANNUAL GENERAL MEETING AND EXTRA-ORDINARY GENERAL MEETING

106. The General Meeting referred to in Article 103 shall be called and styled as an Annual General Meeting and all meetings other than the Annual General Meeting shall be called Extra-ordinary General Meetings.

CALLING OF EXTRA-ORDINARY GENERAL MEETING

107. (1) The Board may, whenever it deems fit, call an extraordinary general meeting of the company.



- (2) The Board shall, at the requisition made by such number of members who hold, on the date of the receipt of the requisition, not less than one-tenth of such of the paid-up share capital of the company as on that date carries the right of voting power of all the members having on the said date a right to vote, call an extraordinary general meeting of the company within the period specified in clause (4).
- (3) The requisition made under clause (2) 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.
- (4) If the Board does not, within twenty-one days from the date of receipt of a valid requisition in regard to any matter, proceed to call a meeting for the consideration of that matter on a day not later than forty-five days from the date of receipt of such requisition, the meeting may be called and held by the requisitionists themselves within a period of three months from the date of the requisition.
- (5) A meeting under clause (4) by the requisitionists shall be called and held in the same manner in which the meeting is called and held by the Board.
- (6) Any reasonable expenses incurred by the requisitionists in calling a meeting under clause (4) shall be reimbursed to the requisitionists by the Company and the sums so paid shall be deducted from any fee or other remuneration under section 197 payable to such of the directors who were in default in calling the meeting.

LENGTH OF NOTICE FOR CALLING MEETING

- 108.(1) 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 under the Act:

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.

- (2) Every notice of a meeting shall specify the place, date, day and the hour of the meeting and shall contain a statement of the business to be transacted at such meeting.
- (3) The notice of every meeting of the company 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 of the company; and
 - (c) every director of the company.
- (4) Any accidental omission to give notice to, or the non-receipt of such notice by any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.

EXPLANATORY STATEMENT TO BE ANNEXED TO NOTICE / SPECIAL BUSINESS

- 109.(1) Pursuant to section 102 a statement setting out the following material facts concerning each item of special business to be transacted at a general meeting, shall be annexed to the notice calling such meeting, namely: -

- (a) the nature of concern or interest, financial or otherwise, if any, in respect of each items of—
 - (i) every director and the manager, if any;
 - (ii) every other key managerial personnel; and
 - (iii) relatives of the persons mentioned in sub-clauses (i) and (ii);
- (b) any other information and facts that may enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.
- (2) For the purposes of clause (1),—
 - (a) in the case of an annual general meeting, all business to be transacted thereat shall be deemed special, other than—
 - (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 place of those retiring;
 - (iv) the appointment of, and the fixing of the remuneration of, the auditors; And
 - (b) in the case of any other meeting, all business shall be deemed to be special:

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 first mentioned company shall, if the extent of such shareholding 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 at the meeting, the time and place where such document can be inspected shall be specified in the statement under sub-clause (1).



110.No General Meeting, Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been specifically mentioned in the notice or notices upon which it is convened.

QUORUM

111.(1)The quorum for a General Meeting of the Company shall be as under:

- (i) five members personally present if the number of members as on the date of meeting is not more than one thousand; or
 - (ii) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand; or
 - (iii) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand; shall be the quorum for a meeting of the company.
 - (2) If the quorum is not present within half-an-hour from the time appointed for holding a meeting of the company –
 - (a) the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such other date and such other time and place as the Board may determine; or
 - (b) the meeting, if called by requisitionists under section 100, shall stand cancelled:
- Provided that in case of an adjourned meeting or of a change of day, time or place of meeting under 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.
- (3) If at the adjourned meeting also, a quorum is not present within half-an-hour from the time appointed for holding meeting, the members present shall be the quorum.

RESOLUTION PASSED AT ADJOURNED MEETING

112.Where a resolution is passed at an adjourned meeting of –

- (a) the Company; or
 - (b) the holders of any class of shares in the Company; or
 - (c) the Board of Directors 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.

REGISTRATION OF RESOLUTIONS AND AGREEMENTS

113.The Company shall comply with the provisions of Section 117 of the Act relating to registration of certain resolutions and agreements.

POWER TO ADJOURN GENERAL MEETING

- 114.(1) The Chairperson of the General Meeting at which the quorum is present may, and shall if so directed by the meeting, adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (2) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (3) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned meeting.

CHAIRPERSON OF GENERAL MEETING

115.The Chairperson of the Board shall, if willing, preside as Chairperson at every General Meeting, Annual or Extra-ordinary, if there be no such Chairperson or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or being present declined to take the Chair, the Directors present may choose one of their members to be Chairperson and in default of their doing so, the members present shall choose one of the Directors to be Chairperson and if no Director present be willing to take the Chair, members shall, on a show of hands elect one of their numbers to be Chairperson, of the meeting, if a poll is demanded on the election of the Chairperson, it shall be taken forthwith in accordance with the provisions of the Act and these Articles and the Chairperson elected



on a show of hands shall exercise all the powers of the Chairperson under the said provisions. If some other person is elected Chairperson as a result of the poll, he shall be the Chairperson for the rest of the meeting.

BUSINESS CONFINED TO ELECTION OF CHAIRPERSON WHILE CHAIR VACANT

116. No business shall be discussed at any General Meeting except the election of a Chairperson while the chair is vacant.

RESOLUTION MUST BE PROPOSED AND SECONDED

117. No resolution submitted to a meeting, unless proposed by the Chairperson of the meeting shall be discussed nor put to vote until the same has been proposed by a member present and entitled to vote at such meeting and seconded by another member present and entitled to vote at such meeting.

POSTAL BALLOT

118.(1) Notwithstanding anything contained in this Act, the company –

- (a) 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
 - (b) 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 determined under the Act, instead of transacting such business at a general meeting.
- (2) If a resolution is assented to by the requisite majority of the shareholders by means of postal ballot, it shall be deemed to have been duly passed at a general meeting convened in that behalf.

DECLARATION OF CHAIRPERSON TO BE CONCLUSIVE

119. A declaration by the Chairperson that 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 proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution

CIRCULATION OF MEMBERS' RESOLUTION

120.(1) The Company shall, on requisition in writing of such number of members, as required in section 100 of the Act,—

- (a) give notice to members of any resolution which may properly be moved and is intended to be moved at a meeting; and
 - (b) circulate to members any statement with respect to the matters referred to in proposed resolution or business to be dealt with at that meeting.
- (2) 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 the requisition signed by the requisitionists (or two or more copies which, between them, contain the signatures of all the requisitionists) is deposited at the registered office of the Company,—
 - (i) in the case of a requisition requiring notice of a 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 a 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 the copy has been deposited, the copy, although not deposited within the time required by this sub-section, shall be deemed to have been properly deposited for the purposes thereof.

(3) The Company shall not be bound to circulate any statement as required by clause (b) of sub-section (1), 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 section are being abused to secure needless publicity for defamatory matter.

(4) An order made under sub-section (3) may also direct that the cost incurred by the Company by virtue of this section shall be paid to the company by the requisitionists, notwithstanding that they are not parties to the application.

VOTES OF MEMBERS



VOTES MAY BE GIVEN BY PROXY OR ATTORNEY

121. Subject to the provisions of the Act and these Articles, votes may be given either personally or by an attorney or by proxy or in the case of a body corporate, also by a representative duly authorised under section 113 of the Act.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights

Provided that a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

VOTES OF MEMBERS

122.(1) Subject to the provisions of section 43 and sub-section (2) of section 50, -

(a) every member of the Company holding equity share capital therein, shall have a right to vote on every resolution placed before the company; and

(b) his voting right on a poll shall be in proportion to his share in the paid-up equity share capital of the company.

(2) Every member of the Company holding any preference share capital therein shall, in respect of such capital, have a 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 right 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.

RIGHT OF MEMBER TO USE HIS VOTES DIFFERENTLY

123. On a poll being taken at 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.

REPRESENTATION OF BODY CORPORATE

124. Pursuant to section 113 a body corporate, whether a company within meaning of the Act or not may, if it is a member or creditor of the Company including being a holder of debentures, may authorize such person by a resolution of its Board of Directors, as it thinks fit, to act as its representative at any meeting of members and creditors of the Company.

REPRESENTATION OF THE PRESIDENT OF INDIA OR GOVERNORS

125. The President of India or the Governor of State if he is a member of the Company may appoint such person as he thinks fit to act, as his representative at any meeting of the Company or at any meeting of any class of members of the Company in accordance with provisions of Section 112 of the Act or any other statutory provision governing the same.

A person appointed to act as aforesaid shall for the purposes of the Act be deemed to be a member of such a Company and shall be entitled to exercise the same rights and powers (including the right to vote by proxy) as the Governor could exercise, as member of the Company.

RESTRICTION ON EXERCISE OF VOTING RIGHT BY MEMBERS WHO HAVE NOT PAID CALLS

126. No member shall exercise any voting right 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 and/or has exercised its right of lien.

RESTRICTION ON EXERCISE OF VOTING RIGHT IN OTHER CASES TO BE VOID



127. A member is not prohibited from exercising his voting right on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in Article 125.

HOW MEMBER NON-COMPOS MENTIS MAY VOTE

128. If any member be a lunatic or non-compos mentis, the vote in respect of his share or shares shall be his committee or other legal guardian provided that such evidence of the authority of the person claimed to vote as shall be acceptable by the Board shall have been deposited at the office of the Company not less than forty eight hours before the time of holding a meeting.

INSTRUMENT OF PROXY

129. The instrument appointing a proxy shall be in writing and signed by the appointer or his attorney duly authorized in writing or if the appointer is a body corporate be under its seal or be signed by an office or attorney duly authorized by it.

INSTRUMENT OF PROXY TO BE DEPOSITED AT OFFICE

130. 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 registered office of the Company not less than forty eight hours before the time for holding the meeting or adjourned meeting 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 of proxy shall be valid after the expiration of twelve months from the date of its execution.

WHEN VOTE BY PROXY VALID THOUGH AUTHORITY REVOKED

131. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer of the share in respect of which the vote is given. Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

FORM OF PROXY

132. Every instrument of proxy shall be in the form as prescribed under Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014.

TIME FOR OBJECTION TO VOTE

133. No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be so tendered and every vote whether given personally or by proxy and not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

CHAIRPERSON OF ANY MEETING TO BE THE JUDGE OF VALIDITY OF ANY VOTE

134. The Chairperson of any meeting shall be sole judge of the validity of every vote tendered at such meeting. The Chairperson present at the time of taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

DIRECTORS

135. Unless otherwise determined by members of the Company by passing a special resolution and subject to the provisions of Section 149 of the Act, the number of Directors shall not be more than fifteen.

At any time, the Company shall have a Board of Directors consisting of at least three directors.

POWER OF DIRECTORS TO APPOINT ADDITIONAL DIRECTORS

136. The Board of Directors shall have the power to appoint any person, other than a person who fails to get appointed as a director in a general meeting, as an additional director at any time who shall hold office 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.

ALTERNATE DIRECTORS

137. The Board of Directors shall have the power to appoint a person, not being a person holding any alternate directorship for any other director in the Company, to act as an alternate director for a 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:

Provided further that an alternate director shall not hold office for a period longer than that permissible to the director in whose place he has been appointed and shall vacate the office if and when the director in whose place he has been appointed returns to India:

Provided also that if the term of office of the original director is determined before he so returns to India, any provision for the automatic re-appointment of retiring directors in default of another appointment shall apply to the original, and not to the alternate director.

NOMINEE DIRECTORS

138. The Board shall have the power to appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement or by the Central Government or the State Government by virtue of its shareholding in a Government company.

CASUAL VACANCY

139. If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, in default of and subject to any regulations in these Articles, be filled by the Board of Directors at a meeting of the Board:

Provided that any person so appointed shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated.

A Director need not hold any qualification shares.

REMUNERATION OF DIRECTORS

140. (1) Subject to the provisions of the Act, a Managing Director or any other Director, who is in the whole time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

(2) Subject to the provisions of the Act, the remuneration payable to a director who is neither in the whole-time employment nor a Managing Director shall not exceed the limits prescribed under Section 197 of the Act:

(3) The fees payable to Director (including a Managing or whole-time Director, if any) for attending a meeting of the Board or Committee shall be decided by the Board of Directors from time to time, however the amount thereof shall not exceed the limit provided in the Companies Act, 2013 and rules, if any, framed there under.

(4) If any Director be called upon to perform extra services or special exertion or efforts (which expression shall include work done by a Director as member of any committee formed by the Directors), the Board may arrange with such Directors for such special remuneration for such extra services or special exertions or either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration above provided subject to the provision of Section 197(4) of the Act.

INCREASE IN REMUNERATION OF DIRECTORS TO REQUIRE GOVERNMENT SANCTION

141. Any provision relating to the remuneration of any Director including the Managing Director or Joint Managing Director or whole time Director or executive Director whether contained in his original appointment or which purports to increase or has the effect of increasing whether directly or indirectly the amount of such remuneration and whether that provisions are contained in the articles or in any agreement entered into by the Board of Directors shall be subject to the provisions of Section 196, 197 and 203 of the Act and in accordance with the conditions specified in Schedule V



and to the extent to which such appointment or any provisions for remuneration thereof is not in accordance with the Schedule V, the same shall not have any effect unless approved by the Central Government and shall be effective for such period and be subject to such conditions as may be stipulated by the Central Government and to the extent to which the same is not approved by the Central Government, the same shall become void and not enforceable against the Company.

TRAVELLING EXPENSES INCURRED BY A DIRECTOR NOT A BONAFIDE RESIDENT OR BY DIRECTOR GOING OUT ON COMPANY'S BUSINESS

142. The Board may allow and pay to any Director who is not a bonafide resident of the place where the meetings of the Board or committee thereof are ordinarily held and who shall come to a such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation or for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any travelling or other expenses, incurred in connection with business of the Company.

DIRECTORS MAY ACT NOTWITHSTANDING ANY VACANCY

143. The continuing Directors may act notwithstanding any vacancy in the Board, but if and so long as the number is reduced below the quorum fixed by the Act or by these Articles for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum or for summoning a General Meeting of the Company but for no other purpose.

DISCLOSURE OF INTEREST OF DIRECTORS

144. (1) Every director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change, disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals which shall include the shareholding, in such manner as may be determined by central government.

(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—

(a) with a body corporate in which such director or such director in association with any other director, holds more than two per cent. shareholding of that body corporate, or is a promoter, manager, Chief Executive Officer of that body corporate; or

(b) 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) A contract or arrangement entered into by the Company without disclosure under sub-section (2) or with participation by a director who is concerned or interested in any way, directly or indirectly, in the contract or arrangement, shall be voidable at the option of the Company.

(4) Nothing in this Article-

(a) shall 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) shall apply to any contract or arrangement entered into or to be entered into between two companies where any of the directors of the Company or two or more of them together holds or hold not more than two per cent of the paid-up share capital in the other company.

INTERESTED DIRECTOR NOT TO PARTICIPATE OR VOTE ON BOARD'S PROCEEDINGS

145. No Director of the Company shall, as 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 the 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 his vote shall be void, provided



however that Directors may vote on any contract of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or surety for the Company.

BOARD'S SANCTION TO BE REQUIRED FOR CERTAIN CONTRACTS IN WHICH PARTICULAR DIRECTOR IS INTERESTED

146.(1) Except with the consent of the Board of Directors of the Company and of the Shareholders where applicable, the Company, shall not enter into any contract with a Related Party in contravention of Section 188 of the Act and the Rules made thereunder—

for the sale, purchase or supply of any goods, materials or services; or
selling or otherwise disposing of, or buying, property of any kind;
leasing of property of any kind;

(iv) availing or rendering of any services;

(v) appointment of any agent for purchase or sale of goods, materials, services or property;

(vi) such Related Party's appointment to any office or place of profit in the Company, its subsidiary company or associate company;

(vii) underwriting the subscription of any securities or derivatives thereof, of the Company;

(2) Nothing contained in clause (1) shall affect any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis.

(3) Notwithstanding anything contained in sub-clauses (1) and (2) a Related Party may, in circumstances of urgent necessity enter, without obtaining the consent of the Board, into any contract with the Company; but in such a case the consent of the Board shall be obtained at a meeting within three months of the date of which the contract was entered into or such other period as may be prescribed under the Act. (S.188 (3))

(4) Every consent of the Board required under this Article shall be accorded by a resolution of the Board and the consent required under Clause (1) shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into or such other period as may be prescribed under the Act.

(5) If the consent is not accorded to any contract under this Article anything done in pursuance of the contract will be voidable at the option of the Board.

SPECIAL DIRECTOR

147. 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 authorize such company, corporation, firm or person herein-after in this clause referred to as "collaborator" to appoint from time to time any person as director of the company (hereinafter referred to as "special director") and may agree that such special director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for office of such director, so however that such special director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such collaborator under the collaboration arrangements or at any time thereafter.

The collaborators may at any time and from time to time remove any such special director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as special director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person 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 collaborators eligible to make the appointment.

DIRECTORS' SITTING FEES

148. The fees payable to a Director for attending each Board meeting shall be such Sum as may be fixed by the Board of Directors not exceeding such as may be prescribed under the Act for each of the meetings of the Board or a committee thereof and adjournments thereto attended by him.



DIRECTORS AND MANAGING DIRECTOR MAY CONTRACT WITH COMPANY

149. Subject to the provisions of the Act the Directors (including a Managing Director And whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or Otherwise, nor shall any such contract or any contracts or arrangement entered Into by or on behalf of the Company with any Director or with any company or Partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only Of such director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as Provided by Section 188 of the Act and in this respect all the provisions of Section 179, 180, 184, 185, 186, 188, 189 and 196 of the Act shall be duly observed and complied with.

DIRECTOR MAY BE DIRECTOR OF COMPANIES PROMOTED BY THE COMPANY

150. Subject to provisions of Section 203 of the Act, a Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or Shareholder of such company except in so far Section 197 or Section 188 of the Act may be applicable.

RETIREMENT AND ROTATION OF DIRECTORS

RETIREMENT OF DIRECTORS BY ROTATION

151. Not less than two-thirds of the total number of Directors (excluding independent director) of the Company shall be persons whose periods of office shall be liable to determination by retirement of Directors by rotation and save and otherwise expressly provided in the Act and these Articles, be appointed by the Company in General Meeting.

The remaining directors shall be appointed in accordance with the provisions of these Articles and the Act. At the Annual General Meeting in each year, one-third of the Directors for the time being as are liable to retire by rotation, or if their number is not three or multiple of three, then the number nearest to one-third shall retire from office.

Subject to the provisions of the Act and these Articles, the Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Subject to the provisions of the Act, a retiring Director shall retain office until the conclusion of the meeting at which his re-appointment is decided or his successor is appointed.

If the vacancy of the 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 national holiday, till the next succeeding day which is not a holiday, at the same time and place.

If at the adjourned meeting also, the vacancy 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 that meeting or at the previous meeting a resolution for the re-appointment 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;
- (iv) a resolution, whether special or ordinary, is required for his appointment or re-appointment by virtue of any provisions of this Act; or
- (v) section 162 is applicable to the case.

APPOINTMENT OF DIRECTOR TO BE VOTED INDIVIDUALLY

152. (1) At a general meeting of the Company, a motion for the appointment of two or more persons as directors of the Company by a single resolution shall not be moved unless a proposal to move such a motion has first been agreed to at the meeting without any vote being cast against it.



- (2) A resolution moved in contravention of sub-section (1) shall be void, whether or not any objection was taken when it was moved.
- (3) A motion for approving a person for appointment, or for nominating a person for appointment as a director, shall be treated as a motion for his appointment.

APPOINTMENT OF DIRECTORS

153. (1) A person who is not a retiring director in terms of section 152 shall, subject to the provisions of this Act, be eligible for appointment to the office of a director at any general meeting, if he, or some member intending to propose him as a director, has, not less than fourteen days before the meeting, left at the registered office of the Company, a notice in writing under his hand signifying his candidature as a director or, as the case may be, the intention of such member to propose him as a candidate for that office, along with the deposit of one lakh rupees or such higher amount as may be determined under the Act which shall be refunded to such person or, as the case may be, to the member, if the person proposed gets elected as a director or gets more than twenty-five per cent of total valid votes cast either on show of hands or on poll on such resolution.
- (2) The Company shall inform its members of the candidature of a person for the office of director under sub-section (1) in such manner as may be determined by central government.

REGISTER OF DIRECTORS AND KEY MANAGERIAL PERSONNEL AND NOTIFICATION OF CHANGES TO REGISTRAR

154. The Company shall keep at its registered office, a Register of Director, Managing Director, Manager and Secretary and key managerial personnel of the Company containing the particulars as required by Section 170 of the Act and shall send to the Registrar a return in the prescribed form containing the particulars specified in the said register and shall notify to the Registrar any change among its Directors, Managing Directors, Manager, Secretary and key managerial personnel or any of the particulars contained in the register as required by Section 170 of the Act.

APPOINTMENT OF TECHNICAL OR EXECUTIVE DIRECTORS

155. a) The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors.
- b) Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in these Articles be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.

REMOVAL OF DIRECTORS

REMOVAL OF DIRECTORS

156. (1) The Company may, by ordinary resolution, remove a director, not being a director appointed by the Tribunal under section 242 of the Act, before the expiry of the period of his office after giving him a reasonable opportunity of being heard:
- Provided that nothing contained in this Article shall apply where the Company has availed itself of the option given to it under section 163 of the Act to appoint not less than two thirds of the total number of directors according to the principle of proportional representation.
- (2) A special notice shall be required of any resolution, to remove a director under this section, or to appoint somebody in place of a director so removed, at the meeting at which he is removed.
- (3) On receipt of notice of a resolution to remove a director under this section, 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.



(4) Where notice has been given of a resolution to remove a director under this section and the director concerned makes with respect thereto representation 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 any notice of the resolution given to members of the Company, state the fact of the representation having been made; and

(b) send a copy of the representation to every member of the Company to whom notice of the meeting is sent (whether before or after receipt of the representation by the Company), and if a copy of the representation is not sent as aforesaid due to insufficient time or for the Company's default, the director may without prejudice to his right to be heard orally require that the representation shall be read out at the meeting:

Provided that copy of the representation need not be sent out and the representation need not be 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-section 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.

(5) A vacancy created by the removal of a director under this section 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 place at the meeting at which he is removed, provided special notice of the intended appointment has been given under sub-clause (2) of this Article.

(6) The director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.

(7) If the vacancy is not filled under sub-clause (5) of this Article, it may be filled as a casual vacancy in accordance with the provisions of this Act:

Provided that the director who was removed from office shall not be re-appointed as a director by the Board of Directors.

(8) Nothing in this section shall be taken -

(a) as depriving a person removed under this section 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

(b) as derogating from any power to remove a director under other provisions of this Act.

ELIGIBILITY FOR RE-ELECTION

157. A retiring Director shall be eligible for re-appointment.

PROCEEDINGS OF DIRECTORS

MEETINGS OF BOARD

158. (1) A minimum number of four meetings of the Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board:

(2) The participation of directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be determined, which are capable of recording and recognising the participation of the directors and of recording and storing the proceedings of such meetings along with date and time:

(3) A meeting of the Board shall be called by giving not less than seven days' notice in writing to every director at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means:

Provided that a meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one independent director, if any, shall be present at the meeting:

Provided further that in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent director, if any.

QUORUM

159. (1) The quorum for a meeting of the Board of Directors of the Company shall be one third of its total strength or two directors, whichever is higher, and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum.



(2) The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company and for no other purpose.

(3) Where at any time the number of interested directors exceeds or is equal to two thirds of the total strength of the Board of Directors, the number of directors who are not interested directors and present at the meeting, being not less than two, shall be the quorum during such time.

(4) Where a meeting of the Board could not be held for want of quorum, then, unless these Articles otherwise provide, the meeting shall automatically stand adjourned to the same day at the same time and place in the next week or if that day is a national holiday, till the next succeeding day, which is not a national holiday, at the same time and place.

DECISION OF QUESTIONS

160. Subject to the provisions of the Act, question arising at any meeting of the Board shall be decided by a majority of votes and in case of an equality of votes, the Chairperson shall have a second or casting vote.

BOARD MAY APPOINT CHAIRPERSON, CO-CHAIRPERSON AND VICE CHAIRPERSON

161. The Board may elect a Chairperson, a Co-Chairperson and a Vice Chairperson of their Meetings and of the Company and determine the period for which he is to hold office. The Chairperson or in his absence the Co-Chairperson or the Vice Chairperson shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary, or if there be no such Chairperson or Co-Chairperson or Vice Chairperson of the Board of Directors, or if at any Meeting neither of these shall be present within fifteen minutes of the time appointed for holding such Meeting, the Directors present may choose one of their members to be the Chairperson of the Meeting of their meetings and determine the period for which he is to hold office, but if no such Chairperson is elected or if at any meeting the Chairperson is not present within ten minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairperson of the Meeting.

POWER OF BOARD MEETING

162. A meeting of the Board 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 are for the time being vested in or exercisable by the Board generally.

163. Subject to the restrictions contained in Section 179 of the Act, the Board may delegate any of its power to a Committee of the Board consisting of such member or members of its body or any other person as it thinks fit and it may from time to time revoke and discharge any such committee of the Board so formed, shall in the exercise of the power so delegated confirm to any regulations that may from time to time be imposed on it by the Board. All acts done by such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

MEETING OF THE COMMITTEE HOW TO BE GOVERNED

164. The meeting and proceedings of any such Committee of the Board consisting of two or more persons shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board, so far as the same are applicable thereto and are not superseded by any regulations made by the Board under the last preceding Article.

DEFECTS IN APPOINTMENT OF DIRECTORS NOT TO INVALIDATE ACTIONS TAKEN

165. No act done by a person as a director shall be deemed to be invalid, notwithstanding that it was subsequently noticed that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provision contained in this Act or in the articles of the company:

Provided that nothing in this section shall be deemed to give validity to any act done by the director after his appointment has been noticed by the company to be invalid or to have terminated.

PASSING OF RESOLUTION BY CIRCULATION



166.(1) No resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the directors, or members of the committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be determined by central government and has been approved by a majority of the directors or members, who are entitled to vote on the resolution:

Provided that, where not less than one-third of the total number of directors of the Company for the time being require that any resolution under circulation must be decided at a meeting, the Chairperson shall put the resolution to be decided at a meeting of the Board.

(2) A resolution under sub-section (1) above shall be noted at a subsequent meeting of the Board or the committee thereof, as the case may be, and made part of the minutes of such meeting.

SPECIAL NOTICE

167. Where by any provision contained in the Act or in these Articles special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company by such number of members holding not less than one per cent of total voting power or holding shares on which such aggregate sum not exceeding five lakh rupees, as may be prescribed, has been paid-up, not less than fourteen days before the meeting at which it is to be moved exclusive of the day on which the notice is served or deemed to be served and the day of the meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as it gives notice of the meeting, or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the meeting.

GENERAL POWERS OF THE BOARD

168.(1) The Board of Directors of the Company shall be entitled to exercise all such powers, and to do all such acts and things, as the Company is authorized to exercise and do:

Provided that in exercising such power or doing such act or thing, the Board shall be subject to the provisions contained in that behalf in this Act, or in the Memorandum or these Articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in general meeting:

Provided further that the Board shall not exercise any power or do any act or thing which is directed or required, whether under this Act or by the Memorandum or these Articles otherwise, to be exercised or done by the Company in general meeting.

(2) No regulation 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.

CERTAIN POWERS TO BE EXERCISED BY THE BOARD ONLY AT MEETINGS

169. The Board of Directors of the Company shall exercise the following powers on behalf of the Company by means of resolutions passed at meetings of the Board, namely: -

- (a) to make calls on shareholders in respect of money unpaid on their shares;
- (b) to authorize buy-back of securities under section 68;
- (c) to issue securities, including debentures, whether in or outside India;
- (d) to borrow monies;
- (e) to invest the funds of the Company;
- (f) to grant loans or give guarantee or provide security in respect of loans;
- (g) to approve financial statement and the Board's report;
- (h) to diversify the business of the Company;
- (i) to approve amalgamation, merger or reconstruction;
- (j) to take over a company or acquire a controlling or substantial stake in another company;
- (k) to make political contributions;
- (l) to appoint or remove key managerial personnel (KMP);
- (m) to take note of appointment(s) or removal(s) of one level below the Key Managerial Personnel;
- (n) to appoint internal auditors and secretarial auditor;
- (o) to take note of disclosure of director's interest and shareholding;
- (p) to buy, sell investments held by the company (other than trade investments) constituting five percent or more of the paid up share capital and free reserve of the investee company;



- (q) to invite and accept or renew public deposits and related matters;
 - (r) to review or change the terms and conditions of public deposit;
 - (s) to approve quarterly, half yearly and annual financial statements or financial results as the case may be.
- Provided that the Board may, by a resolution passed at a meeting, delegate to any committee of directors, the managing director, the manager or any other principal officer of the Company or in the case of a branch office of the Company, the principal officer of the branch office, the powers specified in clauses (d) to (f) on such conditions as it may specify:
- Nothing in this section shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers specified in this section.

RESTRICTIONS ON POWERS OF BOARD

170. Subject to the provisions of the Act, the Board of Directors of the Company shall exercise the following powers only with the consent of the Company by a special resolution, namely: -

- (a) to 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 of such undertakings.
 - (b) to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation;
 - (c) to borrow money, where the money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business:
 - (d) to remit, or give time for the repayment of, any debt due from a director.
- (2) Every special resolution passed by the Company in general meeting in relation to the exercise of the powers referred to in abovementioned sub-clause (c) shall specify the total amount up to which monies may be borrowed by the Board of Directors.
- (4) Any special resolution passed by the Company consenting to the transaction as is referred to in sub-clause (a) may stipulate such conditions as may be specified in such resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transactions:
- Provided that this sub-section shall not be deemed to authorise the Company to effect any reduction in its capital except in accordance with the provisions contained in this Act.
- (5) No debt incurred by the Company in excess of the limit imposed by sub-clause (c) shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.

POWER TO BORROW

171. Subject to the provisions of Sections 73 and 180 of the Act, the Board may, from time to time at its discretion and by means of resolutions passed at its meeting accept deposits from members either in advance of calls or otherwise and generally, raise or borrow or secure the payment or any sum or sums of money for the purposes of the Company.

172. All the provisions applicable to nomination facility available to shareholder(s) and debenture holder(s) enumerated in these Articles shall equally apply to deposit holder(s) and the provisions of Section 72 of the Act shall also apply.

THE PAYMENT OR REPAYMENT OF MONEYS BORROWED

173. The payment or repayment of moneys 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 bonds, debentures or debentures 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.

BONDS, DEBENTURES, ETC. TO BE SUBJECT TO CONTROL OF DIRECTORS

174. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and condition and in such manner and for such consideration as they shall consider to be for the benefit of the Company.



Provided that bonds, debentures, debenture-stock or other securities so issued or to be issued by the Company with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting.

CONDITION ON WHICH MONEY MAY BE BORROWED

175. The Board may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular by the issue of bonds, perpetual or redeemable debenture-stock or any mortgage, charge or other security on the undertaking of the whole or any part of the Company (both present and future) including its uncalled capital for the time being. The Board shall exercise such power only by means of resolutions passed at its meetings and not by circular resolutions.

TERMS OF ISSUE OF DEBENTURES

176. 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 the General Meeting, 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 the General Meeting by a Special Resolution.

DEBENTURES WITH VOTING RIGHTS NOT BE ISSUED

177. (1) The Company may issue debentures with an option to convert such debentures into shares, either wholly or partly at the time of redemption:

Provided that the issue of debentures with an option to convert such debentures into shares, wholly or partly, shall be approved by a special resolution passed at a general meeting.

(2) The Company shall not issue any debentures carrying any voting rights.

(3) Secured debentures may be issued by the Company subject to such terms and conditions as may be determined under the Act.

(4) Where debentures are issued, the Company shall create a debenture redemption reserve account out of the profits of the Company available for payment of dividend and the amount credited to such account shall not be utilized by the Company except for the redemption of debentures.

(5) The Company shall not issue a prospectus or make an offer or invitation to the public or to its members exceeding five hundred for the subscription of its debentures, unless the Company has, before such issue or offer, appointed one or more debenture trustees and the conditions governing the appointment of such trustees shall be such as may be prescribed under the Act.

(6) The debenture trustee so appointed in accordance with the abovementioned provisions shall take steps to protect the interests of the debenture holders and redress their grievances in accordance with such rules as may be prescribed.

(7) Any provision contained in the trust deed executed for securing the issue of debentures, or in any contract with the debenture-holders secured by a trust deed, shall be void in so far as it would have the effect of exempting the trustee thereof from, or indemnifying him against, any liability for breach of trust, where he fails to show the degree of care and due diligence required of him as a trustee, having regard to the provisions of the trust deed conferring on him any power, authority or discretion:

Provided that the liability of the debenture trustee shall be subject to such exemptions as may be agreed upon by a majority of debenture-holders holding not less than three fourths in value of the total debentures at a meeting held for the purpose.

(8) The Company shall pay interest and redeem the debentures in accordance with the terms and conditions of their issue.

(9) Where at any time the debenture trustee comes to a conclusion that the assets of the Company are insufficient or are likely to become insufficient to discharge the principal amount as and when it becomes due, the debenture trustee may file a petition before the Tribunal and the Tribunal may, after hearing the Company and any other person interested in the matter, by order, impose such restrictions on the incurring of any further liabilities by the Company as the Tribunal may consider necessary in the interests of the debenture-holders.

(10) Where the Company fails to redeem the debentures on the date of their maturity or fails to pay interest on the debentures when it is due, the Tribunal may, on the application of any or all of the debenture-holders, or debenture trustee and, after hearing the parties concerned, direct, by order, the Company to redeem the debentures forthwith on payment of principal and interest due thereon.



(12) A contract with the company to take up and pay for any debentures of the company may be enforced by a decree for specific performance.

EXECUTION OF INDEMNITY

178. If the Directors or any of them or any other persons shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or surety for the company.

CERTAIN POWERS OF THE BOARD

179. Without prejudice to the general powers conferred by these Articles and so as not in any way to limit or restrict those powers, but subject however to the provisions of the Act, it is hereby expressly declared that the Board shall have the following powers:

- 1) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment, and registration of the Company.
- 2) Subject to Sections 179 and 188 and other applicable provisions of the Act, to purchase or otherwise acquire for the Company any property, movable or immovable, rights or privileges which the Company is authorized to acquire at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Board may believe or may be advised to be reasonably satisfactory.
- 3) At its discretion and subject to the provisions of the Act, to pay for any property, rights, privileges acquired 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 fully 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 including its uncalled capital or not so charged.
- 4) To secure the fulfillment of any contracts, agreements or engagements entered into by the Company by mortgage of 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.
- 5) To appoint and at its discretion, remove or suspend, such managers, secretaries, officers, clerks, agents and employees for permanent, temporary or special services as it may from time to time think fit and to determine their power and duties and fix their salaries, emoluments remuneration and to require security in such instances and of such amounts as it may think fit.
- 6) To accept from any member subject to the provisions of the Act, a surrender of his share or any part thereof on such terms and condition as shall be agreed.
- 7) To appoint any person or persons (whether incorporated or not) 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 purpose 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 proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debts due or any claims or demands by or against the Company and to refer any difference to arbitration and observe and perform the terms of any awards made therein 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 refer any claims or demands by or against the Company or any difference to arbitration and observe and perform the awards.
- 10) To act on behalf of the Company in all matters relating to bankruptcy and insolvency.



- 11) To make and give receipts, releases and other discharges for money payable to the Company and for the claims and demands of the Company.
- 12) To open and operate Bank Accounts, to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purposes.
- 13) Subject to the provisions of the Act and these Articles from time to time to provide for the management of the affairs of the Company in or outside India in such manner as it may think fit and in particular to appoint any person to be the attorneys or agents of the Company with such person (including the power to sub-delegate) and upon such terms as may be thought fit.
- 14) Subject to the provisions of Sections 179, 180, 185 of Act and other applicable provisions of the Act and these Articles, to invest and deal with the moneys of the Company not immediately required for the purpose thereof in or upon such security (not being shares in this Company) or without security and in such manner as it may think fit and from time to time to vary or realize such investments save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.
- 15) 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 for the benefit of the Company, such mortgages of the Company's property (present and future) as it thinks fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.
- 16) 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 Director, 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.
- 17) To provide for the welfare of employees or ex-employees of the Company and the wives 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, pension, gratuity, annuities, allowances, bonuses or other payments or by creating and from time to time subscribing or contributing to, provident fund and other associations institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction or recreations, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit.
- 18) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any 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.
- 19) Before recommending any dividend, to set aside, out of the profits of the Company, such sums as it may think proper for depreciation or to a depreciation fund or to an insurance fund or as a reserve fund or sinking fund or any special fund to meet contingencies to repay debentures or for debenture-stock or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the last two preceding clauses) as the Board of Directors, may in its absolute discretion think conducive to the interest of the Company and subject to Section 292 of the Act to invest the several sums so set aside or so much thereof as is required to be invested, upon such investments (other than shares of this Company) as it may think fit and from time to time deal with and vary such investments and dispose off and apply and expend all or any part thereof for the benefit of the Company, in such manner & for such purposes as the Board of Directors in its absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Board of Directors applies or upon which it expends the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended and to divide the general reserve fund into such special funds as the Board of Directors may think fit with full power to transfer the whole or any portion of a reserve fund or division of reserve fund to another reserve fund and with full power to employ the asset constituting all or any of the above funds including the depreciation fund in the business of the Company or in the 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 of Directors at its discretion to pay or allow to the credit of such funds, interest at such rate as the Board of Directors may think proper.



20) To pay and charge to the capital account of the Company any commission or interest lawfully payable the out under the provisions of the Act and of the provision contained in these presents.

21) From time to time make, vary and repeal by-laws for regulation of the business of the Company, its officers and servants.

22) To redeem redeemable preference shares.

23) Subject to provisions of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter in to 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.

24) To undertake any branch or kind of business which the company is expressly or by implication authorized to undertake at such time or times as it shall think fit and to keep in abeyance any such branch or kind of business even though it may have been actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

APPOINTMENT OF INDEPENDENT DIRECTOR

180. Pursuant to section 149 and rules as may be applicable and subject to the provisions of Schedule IV the Company shall appoint such number of independent directors from time to time as may be prescribed under the Act.

Every independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, give a declaration that he meets the criteria of independence.

Notwithstanding anything contained in any other provision of this Act, but subject to the provisions of sections 197 and 198, an independent director shall not be entitled to any stock option and may receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board and other meetings and profit related commission as may be approved by the members.

Subject to the provisions of section 152 of the Act, an independent director shall hold office for a term up to five consecutive years on the Board of the Company, but shall be eligible for reappointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No independent director shall hold office for more than two consecutive terms, but such independent director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director:

Provided that an independent director shall not, during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.

Notwithstanding anything contained in this Act -

(i) an independent director;

(ii) a non-executive director not being promoter or key managerial personnel, shall be held liable, only in respect of such acts of omission or commission by the Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently.

The provisions of retirement of directors by rotation shall not be applicable to appointment of independent directors.

KEY MANAGERIAL PERSONNEL

APPOINTMENT OF KEY MANAGERIAL PERSONNEL

181.(1) Subject to the provisions of Sections 203 and other applicable provisions, if any of the Act, Company shall appoint whole-time key managerial personnel by means of a resolution of the Board containing the terms and conditions of the appointment including the remuneration.

(2) A whole-time key managerial personnel shall not hold office in any other Company except in the subsidiary of the Company at the same time.

A key managerial personnel may be appointed as a director of the Company with the permission of the Board.

The Company may appoint or employ a person as its managing director, if he is the managing director or manager of one, and of not more than one, other company and such appointment or employment is made or approved by a resolution passed at a meeting of the Board with the consent of all the directors present at the meeting and of which meeting, and of the resolution to be moved thereat, specific notice has been given to all the directors then in India.



(3) If the office of any whole-time key managerial personnel is vacated, the resulting vacancy shall be filled-up by the Board at a meeting of the Board within a period of six months from the date of such vacancy.

REMUNERATION OF KEY MANAGERIAL PERSONNEL

182. The remuneration of Key Managerial Personnel shall from time to time, be fixed by the Board and may be by way of salary or commission or participation in profits or by any or all of these modes or in any other form and shall be subject to the limitations prescribed in Schedule V along with Sections 196 and 197 of the Act.

DIRECTORS MAY CONFER POWER ON MANAGING DIRECTOR

183. Subject to the provisions of the Act and to the restrictions contained in these Articles, Board may from time to time entrust to and confer upon a Managing Director for the time being such of the powers exercisable by the Board under these Articles as it may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as it thinks expedient.

CERTAIN PERSONS NOT TO BE APPOINTED AS MANAGING DIRECTORS

184. The Company shall not appoint or continue the employment of any person as managing director, whole-time director or manager who -

- (a) is below the age of twenty-one years or has attained the age of seventy years:
Provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person;
 - (b) is an undischarged insolvent or has at any time been adjudged as an insolvent;
 - (c) has at any time suspended payment to his creditors or makes, or has at any time made, a composition with them; or
 - (d) has at any time been convicted by a court of an offence and sentenced for a period of more than six months.
- A person shall not be eligible for appointment as a director of the Company if such person suffers any of the disqualifications provided under Section 164 of the Act.

185. Special to any contract between him and the Company, a Managing or Wholetime Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but (subject to the provisions of any contract between him and the Company), he shall be subject to the same provisions as to resignation and removal as the Directors of the Company and shall, ipso facto and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.

186. The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel namely:-

- a) Managing Director and
- b) Manager.

and shall duly observe the provisions of Section 196 of the Act regarding prohibition of simultaneous appointment of different categories of managerial personnel therein referred to.

THE SECRETARY

187. The Board may, from time to time, appoint and at its discretion, remove any individual (hereinafter called the Secretary) to perform any function which by the Act are to be performed by the Secretary and to execute any other ministerial or administrative duties which may from time to time be assigned to the Secretary by the Board. The Board may also at any time appoint some persons (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall conform to the provisions of Section 203 of the Act.

THE SEAL, ITS CUSTODY AND USE

188. The Board of Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof and shall provide for the safe custody of the Seal



for time being and the Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors and except in the presence of at least two Director or such other person as the Directors may appoint for the purpose and the Directors or other persons aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

MINUTES

189.(1) The Company shall cause minutes of all proceedings of every General Meeting and all proceedings of every meeting of its Board of /directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that, their pages consecutively numbered.

(2) Each page of every such book shall be initialed or signed and the last Page of the record of proceedings of each meeting in such books shall be dated and signed.

(a) in the case of minutes of proceedings of a meeting of the Board or of a committee thereof, by the Chairperson of the next succeeding meeting.

(b) In the case of minutes of proceedings of a General Meeting, by the Chairperson of the same meeting within the aforesaid period of thirty Days or in the event of the death or inability of that Chairperson within that period, by a Director duly authorized by the Board for the purpose.

190. Minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board kept in accordance with the provisions of Article 198 above, shall be evidence of the proceedings recorded therein.

191. Where minutes of the proceedings of every General Meeting of the Company or of any meeting of the Board or of a Committee of the Board have been kept in accordance with the provisions of article 199 above then, until the contrary is proved the meeting shall be deemed to have been duly called and held and all proceedings thereat to have duly taken place and in particular all appointments of Directors or liquidators made at the meeting shall be deemed to be valid.

(1) The books containing the minutes of the proceedings of any General Meeting of the Company shall be kept at the registered office of the Company and shall be open for inspection of members without charge between the hours 2 p.m. and 5 p.m. during business hours on each working day except Saturday

(2) Any member of the Company shall be entitled to be furnished, within seven days after he has made a request in writing in that behalf to the Company, with a copy of any minutes referred above on payment of such sum not exceeding Ten Rupees for every page thereof required to be copied.

(3) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(4) The minutes of different meetings shall contain a fair and correct summary of proceedings thereat.

(5) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.

(6) 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 passed at the meeting, the names of the directors, if any, dissenting from, or not concurring with the resolution.

(7) Nothing contained in clauses (1) to (6) there shall not be included in the minutes, any matter which, in the opinion of the Chairperson of the meeting -

(a) is or could reasonably be regarded as defamatory of any person; or

(b) is irrelevant or immaterial to the proceedings; or

(c) is detrimental to the interests of the company.

The Chairperson shall exercise and absolute discretion in regard to the inclusion or non-inclusion of any matters in the minutes on the grounds specified in this clause.

PRESUMPTIONS TO BE DRAWN WHERE MINUTES DULY DRAWN AND SIGNED.



192. Where minutes of the proceedings of any general meeting of the Company or of any meeting of its Board of Directors or of a Committee of the Board have been kept in accordance with the provisions of Section 118 of the act then, until the contrary is proved, the meeting shall be deemed to have been duly called and held, and all proceedings thereat to have been duly taken place and in particular all appointments of directors of Liquidators made at the meeting shall be deemed to be valid and the minutes shall be evidence of the proceedings recorded therein.

DIVIDENDS

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 or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with the provisions of the Act and remaining undistributed, or out of both; or
- (b) out of money provided by the Central Government or a State Government for the payment of dividend by the Company in pursuance of a guarantee given by that Government:

Provided that the Company may, before the declaration of any dividend in any financial year, transfer such percentage of its profits for that financial year as it may consider appropriate to the reserves of the Company:

Provided further that where, owing to inadequacy or absence of profits in any financial year, the Company proposes to declare dividend out of the accumulated profits earned by it in previous years and transferred by it to the reserves, such declaration of dividend shall not be made except in accordance with such rules as may be prescribed in this behalf:

No dividend shall be declared or paid by the Company from its reserves other than free reserves.

(2) The depreciation shall be provided in accordance with the provisions of Schedule II of the Act.

(3) The Board of Directors of the Company may declare interim dividend during any financial year out of the surplus in the profit and loss account and out of profits of the financial year in which such interim dividend is sought to be declared:

Provided that in case the Company has incurred loss during the current financial year up to the end of the quarter immediately preceding the date of declaration of interim dividend, such interim dividend shall not be declared at a rate higher than the average dividends declared by the company during the immediately preceding three financial years.

(4) The amount of the dividend, including interim dividend, shall be deposited in a scheduled bank in a separate account within five days from the date of declaration of such dividend.

(5) No dividend shall be paid by the Company in respect of any share therein except to the registered shareholder of such share or to his order or to his banker and shall not be payable except in cash:

Provided that nothing in this sub-section shall be deemed to prohibit the capitalization of 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 the members of the Company:

Provided further that any 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.

(6) The Company shall not declare any dividend on its equity shares till the time default in the repayment of deposits continues, if any.

DIVIDEND TO JOINT HOLDERS

194. Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.

195. 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 dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

No amount paid or credited as paid on a share in advance of calls shall be treated as paid up on the share.

APPORTIONMENT OF DIVIDENDS



196. All dividends shall be apportioned and paid proportionate 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 dividend as from a particular date such share shall rank for dividend accordingly.

DECLARATION OF DIVIDENDS

197. The Company in General Meeting may, subject to the provisions of Section 123 of the Act, declared a dividend to be paid to the members according to their right and interests in the profits and may fix the time for payment.

RESTRICTION ON AMOUNT OF DIVIDEND

198. No larger dividend shall be declared than is recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

DIVIDEND OUT OF PROFITS ONLY AND NOT TO CARRY INTEREST

199. (1) No dividend shall be payable except out of the profits of the Company arrived at as stated in Section 123 of the Act.

(2) The declaration of the Board as to the amount of the net profits of the Company shall be conclusive.

INTERIM DIVIDENDS

200. The Board of Directors may from time to time pay the members such interim dividends as appears to it to be justified by the profits of the Company in accordance with Section 123 of the Act.

DEBTS MAY BE DEDUCTED

201. The Board may retain any dividends payable on shares 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 lien exists.

DIVIDEND AND CALL TOGETHER

202. Any General Meeting declaring an dividend may make a call on the members of such amount as the meeting fixes but so that the call on each members shall not exceed the dividend payable on him and so that the call may be made payable at the same time as the dividend and dividend may; if so arranged between the Company and the member, be set off against the call.

EFFECT OF TRANSFER

203. Right to dividend, right shares and bonus shares shall be held in abeyance pending registration of transfer of shares in conformity with the provision of Section 126 of the Act.

RETENTION IN CERTAIN CASES

204. The Board may retain the dividends payable upon share in respect of which any person is, under Articles entitled to become a member, or which any person under that Article is entitled to transfer, until such person shall become a member, in respect of such shares or shall duly transfer the same.

NO MEMBER TO RECEIVE INTEREST OR DIVIDEND WHILST INDEBTED TO THE COMPANY AND COMPANY'S RIGHT TO REIMBURSEMENT THERE OUT

205. No member shall be entitled to receive payment of an interest or dividend in respect of his own share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares otherwise howsoever either alone or jointly with any other person or persons and the Board may deduct from the interest or dividend payable to any shareholder all sums or money so due from him to the Company.

PAYMENT BY POST

206. Any dividend payable in cash may be paid by cheque or warrant sent through the post directly to the registered address of the shareholder entitled to the payment of the dividend or in the case of joint shareholders to the registered address



of that one whose name stands first on the Register of Members in respect of the joint shareholding or to such persons and to such address as the shareholders of the joint shareholders may in writing direct and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent and the Company shall not be responsible or liable for any cheque or warrant lost in transit or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant of the fraudulent recovery thereof by any other means. The Company may, if it thinks fit, call upon the shareholders when applying for dividends or bonus to produce their share certificates at the registered office or other place where the payment of dividend is to be made.

DIVIDEND TO BE PAID WITHIN THIRTY DAYS

207. The Company shall pay dividend or send the warrant in respect thereof to the shareholder entitled to the payment of the dividend within Thirty days from the date of the declaration of the dividend unless:

- (a) the dividend could not be paid by reason of the operation of any law or
- (b) a shareholder has given directions to the Company regarding the payment of dividend and these directions can not be complied with or
- (c) there is dispute, regarding the right to receive the dividend or
- (d) the dividend has been lawfully adjusted by the Company against any sum due to it from the shareholder or
- (e) 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.

UNPAID OR UNCLAIMED DIVIDEND

208. (1) Where a dividend has been declared by the Company but has not been paid or claimed within thirty days from the date of the declaration to any shareholder entitled to the payment of the dividend, the company shall, within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the company in that behalf in any scheduled bank to be called the Unpaid Dividend Account.

(2) The Company shall, within a period of ninety days of making any transfer of an amount under sub-section (1) 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 determined by central government.

(3) If any default is made in transferring the total amount referred to in sub-section (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 endure to the benefit of the members of the company in proportion to the amount remaining unpaid to them.

(4) Any person claiming to be entitled to any money transferred under sub-section (1) to the Unpaid Dividend Account of the Company may apply to the company for payment of the money claimed.

(5) Any money transferred to the Unpaid Dividend Account of the Company in pursuance of this section 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 Fund established under sub-section (1) of section 125 and the Company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said Fund and that authority shall issue a receipt to the Company as evidence of such transfer.

(6) All shares in respect of which unpaid or unclaimed dividend has been transferred under sub-section (5) shall also be transferred by the Company in the name of Investor Education and Protection Fund along with a statement containing such details as may be determined by central government:

Provided that any claimant of shares transferred above shall be entitled to claim the transfer of shares from Investor Education and Protection Fund in accordance with such procedure and on submission of such documents as may be determined by central government.

CAPITALIZATION OF RESERVES



209. (a) Any General Meeting may, upon the recommendation of the Board resolve that any moneys, investments or other assets forming part of the undistributed profits of the Company standing to the credit of any of the profit and loss account or any capital redemption reserve fund or in hands of the Company and available for dividend or representing premium received on the issue of shares and standing to the credit of the share premium account be capitalized and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalized fund shall not be paid in cash but shall be applied subject to the provisions contained in clause (b) hereof on behalf of such shareholders in full or towards:

(1) Paying either at par or at such premium as the resolution may provide any unissued shares or debentures or debenture-stock of the Company which shall be allotted, distributed and credited as fully paid up to and amongst such members in the proportions aforesaid; or

(2) Paying up any amounts for the time being remaining unpaid on any shares or debentures or debenture-stock held by such members respectively; or

(3) Paying up partly in the way specified in sub-clause (1) and partly in that specified in sub-clause (2) and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum.

(b) (1) Any moneys, investments or other assets representing premium received on the issue of shares and standing to the credit of share premium account; and

(2) If the Company shall have redeemed any redeemable preference shares, all or any part of any capital redemption fund arising from the redemption of such shares may, by resolution of the Company be applied only in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares to be issued to such members of the Company as the General Meeting may resolve upto an amount equal to the nominal amount of the shares so issued.

(c) Any General Meeting may resolve that any surplus moneys arising from the realization of any capital assets of the Company or any investments representing the same or any other undistributed profits of the Company not subject to charge for income-tax be distributed amongst the members on the footing that they receive the same as capital.

(d) For the purpose of giving effect to any such resolution, the Board may settle any difficulty which may arise in regard to the distribution of payment as aforesaid as it thinks expedient and in particular it may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that cash payments be made to any members on the footing of the value so fixed and may vest any such cash, share, debentures, debenture-stock, bonds or other obligation in trustees upon such trust for the persons entitled thereto as may seem expedient to the Board and generally may make such arrangement for acceptance, allotment and sale of such shares, debentures, debenture-stock, bonds or other obligations and fractional certificates or otherwise as it may think fit.

(e) If and whenever any share becomes held by any member in fraction, the Board may subject to the provisions of the Act and these Articles and to the directions of the Company in General Meeting, if any, sell the shares which members hold in fractions for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportion the net proceeds of the sale thereof, for the purpose of giving effect to any such sale, the Board may authorize any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or of invalidity in the proceedings with reference to the sale.

(f) Where required; a proper contract shall be delivered to the Registrar for registration in accordance with Section 39 of the Companies Act 2013 and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalized fund and such appointment shall be effective.

FRACTIONAL CERTIFICATES

210. (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 capitalized thereby and all allotments and issues of fully paid Shares and



(b) Generally do all acts and things required to give effect thereto.

(2) The Board shall have full power:

(a) to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also

(b) to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement 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 capitalization or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalised 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 question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.

DIVIDEND IN CASH

211. No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalization of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company.

212. The Board shall give effect to the resolution passed by the Company in pursuance of all the above Articles.

BOOKS OF ACCOUNTS

BOOKS OF ACCOUNTS TO BE KEPT

213. The Company shall cause to be kept proper books of account with respect to:

- (i) all sums of money received and expended by a company and matters in relation to which the receipts and expenditure take place;
- (ii) all sales and purchases of goods and services by the company;
- (iii) the assets and liabilities of the company; and
- (iv) the items of cost as may be determined by central government under section 148 in the case of a company which belongs to any class of companies specified under that section;

BOOKS WHERE TO BE KEPT AND INSPECTION

214. (1) The Company shall prepare and keep at its registered office books of account and other relevant books and papers and financial statement for every financial year which give a true and fair view of the state of the 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.

All or any of the books of account aforesaid and other relevant papers may be kept at such other place in India as the Board of Directors may decide and where such a decision is taken, the Company shall, within seven days thereof, file with the Registrar a notice in writing giving the full address of that other place. The Company may keep such books of account or other relevant papers in electronic mode in such manner as may be determined by central government.

(2) Where a company has a branch office in India or outside India, it shall be deemed to have complied with the provisions of sub-clause (1), if proper books of account relating to the transactions effected at the branch office are kept at that office and proper summarized returns periodically are sent by the branch office to the company at its registered office or the other place referred to in sub-clause (1).

(3) The books of account of the Company relating to a period of not less than eight financial years immediately preceding a financial year together with the vouchers relevant to any entry in such books of account shall be kept in good order.



(4) The Company may keep such books of accounts or other relevant papers in electronic mode in such manner as may be prescribed.

INSPECTION BY MEMBERS

215. The Board of Directors shall, from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations accounts the and books and the documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred statute or authorised by the Board of Directors or by a resolution of the Company in General Meeting.

TRANSFER BOOKS AND REGISTER OF MEMBERS WHEN CLOSED

216. The Board shall have power on giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situated, to close the Transfer books, the Register of members or Register of debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year.

If the transfer books have not been closed at any time during a year, the Company shall at least once a year, close the books at the time of its Annual General Meeting. The minimum time gap between the two book closures and/or record dates would be atleast 30 (thirty) days.

STATEMENT OF ACCOUNTS TO BE LAID IN GENERAL MEETING

217. The Board of Directors shall from time to time, in accordance with Sections 129 and 134 of the Act, cause to be prepared and to be laid before the Company in General Meeting, such Balance Sheets, Profits & Loss Accounts and reports as are required by these Sections.

FINANCIAL STATEMENT

218. Subject to the provisions of Section 129 of the Act, every Financial Statement of the Company shall be in the forms set out in Schedule II of the Act, or as near there to as circumstances admit. So long as the Company is a holding Company having a subsidiary the Company shall conform to Section 129 and other applicable provisions of the Act.

If in the opinion of the Board, any of the current assets of the Company have not a value on realization in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that option shall be stated.

AUTHENTICATION OF FINANCIAL STATEMENT

219. The Financial Statements shall be signed in accordance with the provisions of Section 134 of the said Act. The Financial Statement, shall be approved by the Board of Directors before they are submitted to the auditors for report thereon. Profit and Loss Accounts to be Annexed and Auditors' Report to be attached to the Balance Sheet. The Profit and Loss Account shall be annexed to the Balance and the Auditors' Report including the Auditor's separate, special or supplementary report, if any, shall be attached thereon.

BOARD'S REPORT TO BE ATTACHED TO FINANCIAL STATEMENT

220. Every Financial Statement laid before the Company in General Meeting shall have attached to it a Report by the Board of Directors with respect to the State of the Company's affairs and such other matters as prescribed under Section 134 of the Act and the Rules made thereunder. The Report shall so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries deal with any changes which have occurred during the financial year in the nature of the Company of Company's business, or of the Company's subsidiaries or in the nature of the business in which the Company has an interest. The board shall also give the fullest information and explanation in its Report or in cases falling under the proviso to Section 129 of the Act in an addendum to that Report, on every reservation, qualification or adverse remark contained in the Auditor's Report. The Board's Report and addendum (if any) thereto shall be signed by its Chairperson if he is authorized in that behalf by the Board; and where he is not so authorized shall be signed by such number of Directors as are required to sign the Financial Statements of the Company by virtue of sub-clauses (a) and (b) of Article 229. The Board shall have the right to charge any person not being a Director with the



duty of seeing that the provisions of sub-clauses (a) and (b) of this Article are complied with. Every Financial Statement of the Company when audited and approved and adopted by the members in the annual general meeting shall be conclusive except as regards in matters in respect of which modifications are made thereto as may from time to time be considered necessary by the Board of Directors and or considered proper by reason of any provisions of relevant applicable statutes and approved by the shareholders at a subsequent general meeting.

RIGHT OF MEMBERS TO COPIES OF FINANCIAL STATEMENT AND AUDITOR'S REPORT

221. A copy of every Financial Statement and the auditor's report and every other document required by law to be annexed or attached, as the case may be; to the balance sheet which is to be laid before the Company in General Meeting, shall be made available for inspection at the Registered Office of the Company during the working hours for a period of 21 days before the date of the meeting. A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid as may be permitted by Section 136 of the Act and as the Company may deem fit, will be sent to every member of the Company and to every Trustees for the holders of any debentures issued by the Company, not less than 21 days before the meeting as laid down in Section 136 of the Act. Provided that it shall not be necessary to send copies of the documents aforesaid to:

- (a) to a member or holder of the debenture of the Company who is not entitled to have the notice of general meeting of the Company sent to him and whose address the Company is unaware;
- (b) to more than one of the joint holder of any shares or debentures some of whom are and some of whom are not entitled to have such notice sent to them, by those who are not so entitled.

A COPY OF THE FINANCIAL STATEMENT ETC. TO BE FILED WITH REGISTRAR

222. After the Financial Statements have been laid before the Company at the annual general Meeting, a copy of the Financial Statement duly signed as provided under Section 137 of the Act together with a copy of all documents which are required to be annexed there shall be filed with the Registrar so far as the same be applicable to the Company.

RIGHT OF MEMBER TO COPIES OF AUDITED FINANCIAL STATEMENT

223. (1) Without prejudice to the provisions of section 101, a copy of the financial statements, including consolidated financial statements, if any, auditor's report and every other document required by law to be annexed or attached to the financial statements, which are to be laid before a company in its general meeting, shall be sent to every member of the company, to every trustee for the debenture-holder of any debentures issued by the company, and to all persons other than such member or trustee, being the person so entitled, not less than twenty-one days before the date of the meeting.

The provisions of this clause shall be deemed to be complied with, if the copies of the documents are made available for inspection at its registered office during working hours for a period of twenty-one days before the date of the meeting and a statement containing the salient features of such documents in the prescribed form or copies of the documents, as the company may deem fit, is sent to every member of the company and to every trustee for the holders of any debentures issued by the company not less than twenty-one days before the date of the meeting unless the shareholders ask for full financial statements.

The Central Government may prescribe the manner of circulation of financial statements of companies having such net worth and turnover as may be determined by central government and company shall also place its financial statements including consolidated financial statements, if any, and all other documents required to be attached thereto, on its website, which is maintained by or on behalf of the company.

Provided also that every subsidiary or subsidiaries shall -

- (a) place separate audited accounts in respect of each of its subsidiary on its website, if any;
- (b) provide a copy of separate audited financial statements in respect of each of its subsidiary, to any shareholder of the company who asks for it.

(2) The Company shall allow every member or trustee of the holder of any debentures issued by the Company to inspect the documents stated under sub-clause (1) at its registered office during business hours.

ACCOUNTS TO BE AUDITED

224. (1) Once at least in every year they accounts of the Company shall be examined by one or more Auditors who shall report to the shareholders as to whether the Balance Sheet reflects a true and fair view of the state of affairs of the



Company as at that date and the Profit and Loss Account discloses a true and fair view of the profit and loss incurred by the Company during the year under review.

(2) The appointment, remuneration, rights, powers & duties of the Company's Auditor shall be regulated in accordance with the provision of the Act.

APPOINTMENT OF AUDITORS

225. (1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 139 to 143, 145 and 146 of the Act and rules made thereunder.

(2) The Company shall, at the first annual general meeting, appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till 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 according to the provisions of the Act.

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 determined by central government, shall be obtained from the auditor:

Provided also that the certificate shall also indicate whether the auditor satisfies the criteria provided in Section 141:

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.

(3) At any Annual General Meeting a retiring Auditor by whatsoever authority appointed shall be reappointed unless:

- (a) he is not disqualified for re-appointment;
- (b) he has not given the company a notice in writing of his unwillingness to be re-appointed; and
- (c) a special resolution has not been passed at that meeting appointing some other auditor or providing expressly that he shall not be re-appointed.

(4) The company shall not appoint or reappoint -

(a) an individual as auditor for more than one term of five consecutive years; and

(b) an audit firm as auditor for more than two terms of five consecutive years:

Provided that—

(i) an individual auditor who has completed his term under clause (a) shall not be eligible for re-appointment as auditor in the same company for five years from the completion of his term.

(ii) an audit firm which has completed its term under clause (b), shall not be eligible for re-appointment as auditor in the same company for five years from the completion of such term.

(5) Where at any annual general meeting, no auditor is appointed or re-appointed, the existing auditor shall continue to be the auditor of the Company.

POWER OF BOARD TO MODIFY FINAL ACCOUNTS

226. Every Balance Sheet and Profit and Loss Account of the Company when audited and adopted by the Company in General Meeting shall be conclusive.

DOCUMENTS AND NOTICE

SERVICES OF DOCUMENTS ON MEMBER BY COMPANY

227. Save as provided in this Act or the rules made thereunder for filing of documents with the Registrar in electronic mode, a document may be served on Registrar or any member by sending it to him by post or by registered post or by speed post or by courier or by delivering at his office or address, or by such electronic or other mode as may be determined by central government:

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.



SERVICE OF DOCUMENTS ON COMPANY

228. A document may be served on a company or an officer thereof by sending it to the company or the 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 determined by central government:

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 the Company”

Where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or other mode in accordance with the Act and rules made thereunder.

AUTHENTICATION OF DOCUMENTS AND PROCEEDINGS

229. Save as otherwise expressly provided in the Act, the rules made thereunder and these Articles, a document or proceeding requiring authentication by a company; or contracts made by or on behalf of a company, may be signed by any key managerial personnel or an officer of the company duly authorized by the Board in this behalf.

REGISTERS AND DOCUMENTS

REGISTERS AND DOCUMENTS TO BE MAINTAINED BY THE COMPANY

230. The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following:

- (a) Register of investments made by the Company but not held in its own name, as required by Section 187(3) of the Act.
- (b) Register of mortgages and charges as required by Section 85 of the Act.
- (c) Register and index of Member and debenture holders as required by Section 88 of the Act.
- (d) Register of contracts, with companies and firms in which Directors are interested as required by Section 189 of the Act.
- (e) Register of Directors and key managerial personnel and their shareholding under Section 170 of the Act.
- (f) Register of loans, guarantee, security and acquisition made by the company under Section 186 (9) of the Act.
- (g) Copies of annual returns prepared under Section 92 of the Act together with the copies of certificates and documents required to be annexed thereto.

MAINTENANCE AND INSPECTION OF DOCUMENTS IN ELECTRONIC FORM

231. Without prejudice to any other provisions of this Act, any document, record, register, minutes, etc.,—

- (a) required to be kept by the Company; or
- (b) allowed to be inspected or copies to be given to any person by the Company under the Act, may be kept or inspected or copies given, as the case may be, in electronic form in such form and manner as may be determined by the Central Government.

INDEMNITY

232. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

WINDING UP

DISTRIBUTION OF ASSETS

233. (a) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a Special 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 the liquidator, with the like sanction, shall think fit.



(b) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributions (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 on any contributory who would be prejudicial 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 Act.

(c) 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.

RIGHT OF SHAREHOLDERS IN CASE OF SALE

234. A Special Resolution sanctioning a sale to any other Company duly passed pursuant to provisions 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 against 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

SECRECY CLAUSE

235. No member or other person (not being a Director) shall be entitled to visit or inspect any property or premises or works of the Company without the permission of the Board 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 which may relate to the conduct of the business of the Company and which in the opinion of the Board, it would be inexpedient in the interest of the Company to disclose Secrecy undertaking.

Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee agents, officer, servant, accountant or other person employed in the business of the Company shall, when required, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company with the customers and the state of accounts with individual and in matters relating thereto 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 so to do by the Board or by any meeting of the shareholders, if any or by a Court of Law the person to whom matters relate and except so far as may be necessary in order to comply with any of the provision in these present contained.

KNOWLEDGE IMPLIED

236. Each member of the Company, present and future, is to be deemed to join the Company with full knowledge of all the contents of these presents.



LIST OF MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts and agreements referred to (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Company or contracts entered into more than two years before this Draft Prospectus), which are or may be deemed to be material have been entered into by or on behalf of the Company. Copies of these contracts together with copies of documents referred under material documents below all of which have been attached to the copy of that Prospectus and have been delivered to the SME platform of BSE Limited and may be inspected at the Registered Office of the Company situated at SCO 113, Darbara Complex, First Floor, B block, Ranjit Avenue, Amritsar, Punjab, from the date of filing the Prospectus with RoC to Issue Closing date on working days from 10.00 a.m. to 5.00 p.m.

Material Contracts

1. Memorandum of Understanding dated December 05, 2016 between our Company and the Lead Manager to the Issue.
2. Agreement dated September 24, 2016 between our Company and Big Share Services Private Limited, Registrar to the Issue.
3. Public Issue Agreement dated [●] between our Company, Lead Manager, Issue Collection Bank and the Registrar to the Issue.
4. Market Making Agreement dated December 05, 2016 between our Company, Lead Manager and Market Maker.
5. Underwriting Agreement dated December 05, 2016 between our Company and Underwriter.
6. Copy of tripartite agreement dated [●] between NSDL, our Company and Big Share Services Private Limited.
7. Copy of tripartite agreement dated December 07, 2016 between CDSL, our Company and Big Share Services Private Limited.

Material Documents

8. Certificate of Incorporation of our Company dated June 14, 2006 issued by Registrar of Companies Punjab, Himachal Pradesh and Chandigarh.
9. Fresh Certificate of Incorporation dated January 18, 2010 issued by Registrar of Companies Punjab, Himachal Pradesh and Chandigarh pursuant to conversion into public limited Company.
10. Fresh Certificate of Incorporation dated September 22, 2010 issued by Registrar of Companies Punjab, Himachal Pradesh and Chandigarh pursuant to conversion into private limited Company.
11. Fresh Certificate of Incorporation dated May 18, 2016 issued by Registrar of Companies, Chandigarh pursuant to conversion into public limited Company.
12. Memorandum and Articles of Association of our Company as amended from time to time.
13. Copy of the Resolution passed at the meeting of the Board of Directors held on September 03, 2016 approving the Issue.
14. Copy of the Resolution passed by the Shareholders of our Company under section 62(1) (c) at the Annual General Meeting held on September 30, 2016.
15. Consents of the Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Review Auditor, Lead Manager to the Issue, Underwriter, Market Maker, Banker to the Issue, Registrar to the Issue and Legal Advisor to the Issue to include their names in this Draft Prospectus to act in their respective capacities.
16. Copies of Annual Reports of our Company for the preceding financial years viz. 2011-12, 2012-13, 2013-14, 2014-2015 and 2015-16, Audited Financials for the period ended September 30, 2016.



17. Audit report and restated financial information issued by Peer Review Auditors i.e. M/s. Vishal Shah & Co., Chartered Accountants, dated January 05, 2017 included in this Draft Prospectus.
18. Letter dated November 04, 2016 from the statutory Auditors of our Company, M/s.Ajay K. Khanna & Co. Chartered Accountants, detailing the special tax benefits.
19. Copy of certificate from the Statutory Auditor of our Company, M/s.Ajay Khanna & Co., Chartered Accountants, dated January 03, 2017 regarding the sources and deployment of funds as on December 26, 2016.
20. Due Diligence Certificate dated March 21, 2017 to be submitted to BSE and Due Diligence Certificate dated [●] to be submitted to SEBI from Lead Manager viz. Guinness Corporate Advisors Private Limited along with the filing of the Prospectus.
21. Copy of approval from BSE vide letter dated [●] to use the name of BSE in this offer document for listing of Equity Shares on SME Platform of BSE.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



DECLARATION

All the relevant provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified) and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified) the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct and nothing in the Prospectus is contrary to the provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified), the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and the Securities and Exchange Board of India Act, 1992 (15 of 1992) and rules and the regulations made thereunder:

SIGNED BY ALL THE DIRECTORS OF OUR COMPANY:

| | |
|--|------|
| Rajesh Gupta Managing Director DIN: 01423407 | Sd/- |
| Saruchi Gupta Whole Time Director DIN:03618458 | Sd/- |
| Nipur Gupta Non Executive and Non Independent Director DIN:07507356 | Sd/- |
| Pawanjit Singh Non Executive and Independent Director DIN:07505395 | Sd/- |
| Sukhpal Singh Non Executive and Independent Director DIN:07507238 | Sd/- |

SIGNED BY COMPANY SECRETARY & COMPLIANCE OFFICER AND CHIEF FINANCIAL OFFICER OF OUR COMPANY:

| | |
|---|------|
| Chandan Kapoor Company Secretary & Compliance Officer | Sd/- |
| Saruchi Gupta Chief Financial Officer | Sd/- |

Place: Amritsar

Date: March 21, 2017